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VIEWS AND REVIEWS

I

PHILADELPHIA'S victory for strong simple government nearly completes the great movement toward simplicity among the large cities.

New York has built up the powers of its board of estimate by steady accretion until eight men, of whom a certain three hold a majority under a plural voting plan, rule the five millions of the metropolis—which, by the way, pushes the doctrine a bit too far. Chicago votes in November for reducing its board of aldermen from 70 to 50 with a non-partisan ballot, longer terms and one instead of two members from each ward. Philadelphia reduces its bicameral council of 145 members to a single council of 21. St. Louis got rid of its two-house council about five years ago. Boston, Detroit, Cleveland and Pittsburg have their mayors and strong councils of nine members or less. Buffalo, Newark and New Orleans have commission government. Only Baltimore, San Francisco, Milwaukee and Cincinnati—four out of our fifteen largest cities—have thus far failed to move toward a rather radical simplicity of charter form and ballot.

The bicameral councils are happily almost extinct, those in Baltimore, Kansas City, Atlanta and a series of New England towns being the last survivors.

About a third of the 200 places which the census calls "cities" have commission or commission-manager government and these are mostly smaller municipalities. It is the fifty-four second-string cities of 100,000 to 400,000 population which constitute the great remaining municipal field for the short ballot idea.

II

IN the political campaigns of yesterday there were certain saloons that always displayed the lithographs of Republican candidates and others that with equal frankness indicated a Democratic allegiance. They captured more votes than platform pledges ever did, for the primitive mind goes with the crowd and absorbs convictions from its environment without necessarily going through any intellectual process. As a recruiting station for the party clubs and for election-day work, these political saloons were indispensable. The saloon keeper's acquaintance with the customers, especially in the big cities where facilities for neighborhood acquaintance were otherwise meagre, made him a local power

and a favorite type of candidate for alderman.

As the poor man's club, the saloon had its virtues, but the influence of the political saloon was undoubtedly pernicious in substituting the force of social cohesion for that of free opinion. When a street car conductor found himself voting straight tickets because he had been dexterously roped into a social atmosphere deliberately created and maintained as a political trap, he became deaf to all argument and a dead loss as a citizen. It is highly important that the substitutes for the saloon which various minds are contriving, should, if possible, be guarded against political capture.

III

When the rich political science of tomorrow is written, it will contain a precious interpretive history of democratic forms of government and how they worked. It will review the efforts of lawgivers from the time of Solon to contrive governments responsive to the will of the electorates and will tell of the various ways in which special interests intrigued to sidetrack the preference of inattentive multitudes. That immortal voter of Athens will figure in it—he who was tired of hearing Aristides called "The Just"—for he is still with us. It will tell of those aristocrats of Florence, who, yielding reluctantly to the demand for wider participation in the government, successfully retained control by contriving a complex government that demanded more attention from the new voters than they could reasonably be expected to give. The complaints which are made against the systems of other countries, and the reforms that are agitated will furnish other chapters. Town meetings must be described in picturesque detail, including not merely the good old classic ones of the time of few distractions, but the mischievous survivals in New England today in towns that are far too large for them. Reconstruction days in the south will furnish an array of horrible examples and some of the Latin-American countries of frequent revolutions may give valuable side-lights. Our own history will no doubt supply the most numerous list of experiments and errors. This wonderful book will not deal with governments alone, but with all large organizations involving election by a numerous constituency such as guilds, churches, co-operative societies, corporations and trade-unions.

If the search of the past brings the experience of the ages to our service and gives us a memory to draw upon in our discussions of present problems, it will be doing just what it is history's main function to do. It is such special classifications of past events according to their relation to modern problems that James Harvey Robinson hopes will constitute the new type of history. It will require of its author a patient historian's ability to search obscure original sources for things that other historians found unimportant, and on the other hand it will demand of the author a deep and practical comprehension of the actual working of democratic institutions of today.

IV

It is welcome news that Graham Wallas is coming over from the University of London for the winter. His work is the freshest and most suggestive study of democracy we are getting. His "Human Nature in Politics" is one of the few "outdoor" books in the political science library and contrasts brilliantly with our typical dry treatises that are extracted from leather-bound laws. Wallas turns his back on

the reference room to explore the uncodified material that consists of people, newspapers and the apparent vagaries of elections. To understand democracy and build a serviceable government upon it involves knowledge of the fact that 10,000 people at the polls are different from those same individuals as such and different, too, from a mob, and in their functioning as prime movers of government require scientific study just as much as do the mechanisms in the city hall. If we fully understood electorates, the instruments we create for them to operate might be rather different.

Roger Bacon, six centuries ago, held that scientists should acquaint themselves with the simple homely things that farmers and old women know about and a new world of natural science has since developed. Political scientists should acquaint themselves with the things that are known respectively to ward politicians, propagandists, newspaper reporters, legislative clerks and lobbyists, county courthouse attendants and country editors.

James Bryce found that the political scientists of the days when he wrote the American Commonwealth did not regard the political machine as being within their field of study at all. He discovered it to them, but the attention of our writers of political science is still too much on the easily-accessible text of the law instead of on the atmosphere of the office which enforces that law.

Graham Wallas is, of course, not the only outdoor scientist in our field, but he is too lonely and our students of democracy who shrink from the travel and field work and endless interviews necessary to real creative work in the big laboratory of politics should do him reverence.

RICHARD S. CHILDS.

IS MILK DISTRIBUTION A MUNICIPAL FUNCTION?

BY DORSEY W. HYDE, JR.
Municipal Reference Librarian, New York

Surveys made by the New York Department of Health show that "out of twenty-two hundred families, each having at least two children under six years of age, fifty per cent had decreased the amount of milk used since the price had begun to increase." :: :: :: ::

JOHN STUART MILL has written: "When a business of real public importance can be carried on advantageously only upon so large a scale as to render the liberty of competition almost illusory, it is an unthrifty dispensation of the public resources that several costly sets of arrangements should be kept up for the purpose of rendering the community this one service." This principle undoubtedly applies in the case of the present-day duplication of effort in the distribution of milk to the family units in our various municipalities and many plain, "ordinary citizens" are asking themselves to-day why municipalization is not being urged upon our local legislators.

In the quotation given above the venerable economist stated the need for action when a certain condition was found to exist. As to the character of the action to be taken it was his opinion that the utility or service in question should either become a public function or should be entrusted to the care of a benevolently-inclined private monopoly. Taking the Mill quotation as a text, Mr. Irwin G. Jennings has written a doctorate thesis (Columbia University) entitled "A Study of the New York City Milk Problem," and this study has been published by the National Civic Federation for obvious purposes of propaganda. Mr. Jennings' monograph contains many facts and figures of interest but his conclusions do not appear to be the only logical result of his premises. His antagonism to the main point at issue is shown by his statement that, "the function of government is not business and those engaged in public life would do better in adhering to their proper functions."

CO-ORDINATED DELIVERIES BY AGREEMENT

The reason for propaganda of the above sort is not difficult to ascertain, for war-time governmental "interference" was not wholly confined to such larger utilities as the steam railroads. For many years past transportation experts have pointed out the great reduction in prices which could be effected by a centralized system of milk distribution, with the elimination of duplication in deliveries. The United States Food Administration was not entirely blind to these recommendations and an attempt was made to zone the city of San Francisco[1] and to restrict the number of companies distributing milk in each zone. Difficulties arose, however, and the plan was never carried out. The

[1] See "The Movement for Co-operative Delivery of Milk," NATIONAL MUNICIPAL REVIEW, vol. viii, no. 2, p. 195.

matter also came up in Chicago but the Federal Milk Commission discovered that its jurisdiction did not extend to questions of distribution.[1]

The problem of milk distribution seems to have been accorded serious attention in Great Britain where the pressure of war-time hardship was much greater than in this country.[2] In that country efforts similar to the San Francisco experiment were made in the endeavor to bring about effective co-operation among local milk distributors. Thus Mr. William Warburton, executive officer of the Bradford food control committee, reports "a scheme of block distribution adopted and put into operation by the milk retailers." But as to the effectiveness of the plan Mr. Warburton reports: "Milk has been diverted from one area in the city to another . . . leaving large areas of population entirely without, and unduly improving the supplies of another . . . the present scheme is breaking down, almost every milk retailer apparently being a law to himself. Streets are left without for days, when there is a shortage; there is little or no attempt to give a proportion to all their customers. The method appears to be to distribute what is available, sometimes in large quantities to those who happen to be at the commencement of the district. Changes are frequently made between milkmen, without the knowledge of the food office. Milk rounds are disposed of, sometimes to producers, who then transfer their milk from another retailer, and there have been cases where changes have resulted in the loss of supplies to the city."

LOCAL MILK CONTROL IN ENGLAND

The possibility of troubles of the above order seems to have been foreseen by the government authorities, as clause 13, sections a and b of the Milk (winter prices) Order of 1918 authorized local food control committees, (subject to the concurrence of the food controller) to fix maximum retail prices for their districts, and in the event of refusal on the part of distributors to accept the prices so fixed, *to make their own temporary arrangements for insuring distribution to consumers.*[3] In accordance with this ruling Mr. Warburton, in the above-mentioned report, appeals to the food controller for permission for the Bradford food control committee to take over the whole responsibility of local milk distribution.

Action similar to that at Bradford was taken soon after in the city of Sheffield. The local food control committee, which in the past had co-operated with the milk dealers, now came forward with a plan for municipalization in order "to increase the (milk) supply and improve the chaotic and

[1] See Chicago *City Club Bulletin*, May 26, 1919, p. 129, "Committee Reports on Milk Study."

[2] The milk retailers of Salcoats voluntarily surrendered their licenses as distributors as a protest against the retail prices fixed by the local food control committee. Faced with this situation the committee took over the complete responsibility for local milk distribution, inaugurating a central milk distribution depot and obtaining the necessary milk supplies under requisition from the farmers who formerly supplied the retailers. According to the *Municipal Journal* (London) "the requisitioning . . . is merely a formality, as the farmers generally are very friendly to the scheme, which has worked well for some months, and is now placed on an established and permanent basis."

[3] The Wholesale Milk Dealers (control) Order of 1918 was revoked April 30, 1919, but the revocation is stated to be "without prejudice to any action towards the permanent control of the wholesale trade in milk that may be decided upon." (*National Food Journal*, May 14, 1919, p. 393.)

unsatisfactory methods of distribution." In making this recommendation the committee state that similar action has already been taken in other British communities."[1]

NATIONALIZATION OF WHOLESALE MILK TRADE

Local activities of the above character have not been without their effect upon the leaders in the government. Mr. McCurdy, speaking in parliament for the food controller last March, said that experiments of the above kind had occurred in "a comparatively small number of cases," but two months later we find Mr. Kennedy Jones in parliament asking whether the government were considering the nationalization of the wholesale trade in milk and what evidence had been, or was being collected, to justify such a step. In the reply to Mr. Jones it was stated that the ministry of food, the departments of agriculture and the local government board are exhaustively examining "the whole question of the desirability of exercising a permanent control over the wholesale trade in milk."

From the foregoing it will be seen that the question of centralized control or supervision of the milk supply and of its distribution is at last receiving the attention which it deserves in at least one of the great nations of to-day. With milk prices steadily mounting skyward in this country, and in the face of reports of augmented infant mortality statistics, it remains to be seen what action will be taken by the national, state and local governments of America.

[1] With the termination of the war the powers of the local food control committee ceased, and under "the present legal conditions" Sheffield lacks the power to undertake the distribution of milk. In view of this fact the committee have published a report in which they recommend "that the council should press upon parliament the necessity of passing a general statute conferring full enabling powers respecting the retail distribution of milk upon local authorities" and "that failing such legislation before November next, the council should apply for full powers, enabling them to undertake the retail distribution of milk in the city."[2]

[2] Memorandum upon the "Milk Supply of Sheffield." Sheffield Food Control Committee. January 31, 1919. 10 p.

FRANCE'S FIRST CITY PLANNING LAW

BY FRANK BACKUS WILLIAMS

I

A MOST notable event in the history of city planning is the passage last March of the first French city planning law, the advance sheets of which are just reaching this country.

For many years France has had legislation in aid of certain details of city planning, such as, for instance, its excess condemnation laws; but none providing for the making of plans for communities as a whole, and the protection of such plans against the selfish encroachments of the owners of real property affected by them. Such laws had long since been passed in all the other great, progressive countries on the continent of Europe, and most of the smaller ones; and were to be found in the British Isles, Canada and other parts of the British Empire. The passage of the French city planning law leaves the United States—where such laws are lacking—the one great exception in the progress of city planning law. Most significant of the growing realization of the importance of city planning in community life is the fact that the new French law, like the English law by recent amendment, makes the careful formulation and adoption of plans by cities and other communities compulsory.

City planning legislation has long been advocated in France. A bill in essentials much like the present law was introduced in the French legislature in 1909, and, somewhat changed, was passed by one of the chambers in 1916. The present law is this bill in a modified form.

The French planning law, like that of Italy passed in 1865, is a development and extension of the law for the expropriation of land, which is quite different from the expropriation legislation in England and this country. In England and here, eminent domain is judicial; in Latin countries it is a political act, the legislative or administrative authorities, after hearings at which all those interested are given full opportunity to be heard, decreeing in each case that the taking is for the public advantage, the parties deprived of their property being allowed only to litigate the amount of compensation due them. Under the older Italian and the recent French planning law, although in the main no compensation is allowed, a similar decree of public utility is required for the establishment of the plan, the proceeding being subject both to the inquiries and hearings usual in expropriations and in addition to others especially appropriate in the planning of communities.

II

Under the French planning law just passed, the following communities are required within three years of the promulgation of the present law to have planning schemes formulated and in force:

Every city of 10,000 inhabitants or over;

All the communes of the department of the Seine;

Cities of more than 5,000 and less than 10,000 inhabitants, whose population has increased more than 10 per cent in the interval between two consecutive quinquennial censuses;

Settlements, of whatever size, of a picturesque, artistic or historic character, listed as such by the departmental commission on natural sites and monuments.

This scheme shall include:

1. A plan fixing the direction, width and character of highways to be laid out or modified and the location, extent and plan of squares, public gardens, amusement grounds, parks and the various open spaces; and indicating the reserve lands, whether wooded or otherwise, and the sites of future public buildings, utilities and other services.

2. A program of the hygienic, archæological and æsthetic servitudes to be created, as well as the other conditions to which the scheme is to be subject, especially the open spaces to be reserved, the height of structures and the provisions for drinking water, sewers, the disposition of wastes and, if necessary, the sanitation of the soil.

3. The outline of an order of the mayor, made after consultation with the municipal council, fixing the application of the above measures to the plan and program.

When any settlement of whatever size has been totally or partially destroyed by war, fire, earthquake, or any other catastrophe, the municipality shall within three months of the date of that event, draw up a general plan of building and street lines and elevations of the part to be reconstructed, accompanied by an outline of a planning scheme. Until the plan of alignment and elevations has been approved, nothing but temporary shelters shall be erected without the authority of the prefect of the department, given after consultation with the departmental planning commission provided for below.

The expenses of the required schemes and plans in the case of the communities destroyed by catastrophe and those listed as picturesque, artistic or historic, shall be borne by the state; in other cases subventions may be granted in accordance with regulations to be drawn up by the state.

III

In each department there shall be created for the guidance of the communes of the department in their planning, a departmental planning commission composed of the local bodies in charge of hygiene, natural sites and monuments, civil buildings, and four mayors appointed by the state. This commission shall of its own motion or on their demand hear the delegates of the departmental societies of architecture, art, archæology, history, agriculture, commerce, industry and sport, the mayors of the cities or communes interested and the representatives of the transportation companies and the various utilities and services of the state.

The commission may add to its number reporters who shall be heard on the matters investigated by them. This commission shall give its advice with regard to:

1. Schemes to be adopted by the municipalities.

2. Derogations from the general principles of planning laid down by the superior commission provided for below, necessary on account of special difficulties or local needs.

3. The æsthetic or hygienic servitudes incidental to the schemes submitted to it.

4. All other matters referred to it by the prefect of the department.

At the Ministry of the Interior of the state there shall be created a superior planning commission of thirty members, composed of senators, deputies, counsellors of state, directors of various state functions and delegates

from state societies, etc., and four city planners, architects, or others specially qualified. This commission shall establish general planning rules and regulations and shall give its advice on all schemes referred to it on its own motion or by the Minister of the Interior or the minister in charge of the "liberated regions."

When a scheme has been drawn up, it shall, after the advice of the sanitary authorities has been taken, be submitted to:

1. Examination by the municipal council;

2. The usual "inquest," preliminary to the declaration of public utility by the council of state or other state authority as required in expropriations, at which all parties interested have the right to be heard, and the objections are referred first to the municipal council and then to the prefect for opinion and preliminary decision.

3. To the examination of the departmental planning commission.

The municipal council shall then give its decision on the matter as a whole; which shall then go to the council of state or other state authority for final action, approval taking the form of a declaration that the plan is of public utility.

If in any step in the planning the city does not act, the state is given power to do so, and an appropriate penalty is visited on the city. If a scheme interests more than one commune, or transcends the department, intercommunal or interdepartmental action and control are provided for.

Anyone creating or developing a group of houses is required first to deposit the plan with the authorities and obtain the approval of the prefect of the department.

After a plan is declared to be of public utility, or in the case of private developments is approved by the prefect, the owners of lands abutting on proposed highways or squares shall conform to the lines established and shall not erect new structures without a permit from the mayor.

COMMUNITY PUBLICITY

BY WALTER PARCELLE

Publicity Director of the American City Bureau, New York.

I

REPUTATION for progressiveness, being a "live town," is the best form of publicity any city can obtain. The live town is advertised by its citizens and by every visitor who stays long enough to inhale a little of the atmosphere of the place.

An impression made by a city in Texas will linger in memory forever. Arriving at night, the clerk of the crowded hotel somehow found a room. In the morning the city was spread out for a sixth-floor window view.

"This town was finished yesterday and swept up last night," was the spontaneous thought. The buildings looked new; many of them plainly were not, but they had been kept painted and in good repair. The streets were clean. The procession of automobiles in the main thoroughfare was orderly and the drivers were considerate of pedestrians at the crossings. When the girl at the cigar counter was asked if she had a particular nationally-advertised kind, she was "sorry, sir; we have not, but if you are going to be here a day or two I'll get a box of them." And that was and is the spirit of that town. Even the colored population looks better than in the average southern city; clearly they have a pride of citizenship and a desire to create a favorable impression on strangers.

"If I was 25 years old instead of past 50, I wouldn't leave this city; I'd stay right here," was the assertion of a business man from the North, and his sentiment was joined in by several others. That city is reaping its reward; its population of 150,000 to-day is twice its total of five years ago and in another five years it will have close to half a million.

It is this "atmosphere of enterprise" which will do more and go farther to advertise a community than all the other things it can do.

The wonderful part of it is, it doesn't cost a cent! Whereas almost all other forms of advertising cost money; some of them lots of it!

An Alabama city has just decided by big majorities to expend $4,500,000 for school buildings, an auditorium, a public library and city hall and fire apparatus. All this new municipal equipment will bring the city up to the standard of the best in the country. Though it will add something to the taxes, it will be the best piece of publicity this city has invested in in a decade. Manufacturers are going to locate in that city because it will have ample schools and a good library. Conventions are going there because of the fine auditorium. People are going there to live because the city has given these visible evidences that it has the "atmosphere of enterprise."

"St. Louis After the War," a pamphlet recently issued by that city's board of public service, frankly says: "Previous to the Civil War St. Louis was the metropolis of the central west . . . four years of comparative inactivity from 1861–65 were sufficient to divert the channels of industry and traffic elsewhere, and Chicago assumed a lead which St. Louis has never since been able to

overcome." St. Louis has seen an opportunity to regain something of her former leadership and in order to do so has undertaken the development of a city plan which contemplates expenditures of $93,972,000. One item is a municipal auditorium to cost $2,500,000; another, parks and playgrounds to cost $6,500,000; $15,000,000 is to be expended on public buildings.

All over this country there are cities, large and small, which have caught this vision. Hardly any two of them have interpreted the urge to "do something worth while" in the same terms. In one the thing done was to clean up the so-called slums and house the people in comfortable homes; in another, a dilapidated and disgraceful main street was repaired from end to end, the buildings painted and brightened up, the old and torn awnings and signs replaced with new ones and with some idea of harmony; in still another city, a commission and manager form of government was adopted.

It really does not matter much what form the evidence of an "atmosphere of enterprise" takes; it is the fact that this feeling on the part of a whole city that it ought to do something to prove it is alive breaks out somewhere which counts. For once a community does do something worth while, it may generally be depended upon to follow up with other things.

II

The ways in which a community can gain publicity are about as many in number as are the cities. A catalog of publicity devices and methods which have proved effective would be just that —a catalog. Natural attractions or advantages are the most obvious and most commonly employed means of making a city known. Sometimes this publicity can be overdone. Niagara Falls was so well known for its rapids and cataract that it was not until recently people began to realize that in addition to being the mecca of newlyweds it had huge manufacturing plants and was developing electrical energy in quantities surpassing any other spot on this earth.

One of the early things any community setting out on a publicity program can do is to give the city a name—even "Smoky City" has publicity value—or adopt a slogan. The great American habit of nicknames will persist long enough to make this worth while.

If large signboards are placed at the highway entrances and near the railroad stations, it would be wise to avoid such phrases as "Cheap Land, Power and Labor." A city which used that appeal had a lot of trouble with the labor unions.

When foreign trade commissions visit the United States those communities which are so fortunate as to entertain them secure a great deal of valuable publicity.

Encourage the local baseball club; take an interest in the sports of the school boys. Every time your home team wins a victory, your town is being advertised, and nothing contributes more to victories than lively home support.

Such suggestions as these might be extended into a list pages long. It is not necessary. Everybody can think of them.

III

Something ought to be said about the printed matter which cities issue. A recent number of the "Notes" of the Municipal Reference Library of New York has put it into these words:

"Many American cities, particularly in the West, have for long appropriated money to advertise their

advantages as places to live and do business in. Not so very long ago civic and business organizations kept local printing establishments busy turning out highly colored pamphlets extolling the not-too-minutely defined superiorities of their locality. During the past two or three years this type of city advertising has to a great extent been supplanted by a new type of publicity matter which aims to present truthfully the essential facts of interest to prospective new-comers. A handsomely printed and illustrated folio volume (11 x 16 inches) entitled 'Somewhere in America there is an economic point,' recently received by the library, is an excellent example of the new type of publicity. The writers of the book undoubtedly believe that Indianapolis occupies the indicated financially desirable position and their convictions, not too ostentatiously urged, are based upon a number of carefully prepared statistical maps. A book of this kind, besides being pleasing to the eye, is of value educationally at home and in other cities and reflects credit upon the farsighted intelligence of its compilers."

IV

Returning to the assertion made at the beginning, that a good reputation is the best kind of community publicity, the question may be asked how a town may acquire fame as a live one?

In the first place it must be organized. There are one-man towns in the United States, quite a number of them; but they are not famous as a rule for their progressiveness; rather for the production of some one line of manufactures.

Organization which is complete enough to include representatives of every element in the community (especially the so-called working people) rarely fails to produce among its earliest suggestions the doing of some of the things that community has most wanted for some time. In an organization there is a feeling of "now we can build that bridge," or "we can eliminate the grade crossings," or perform some other duty of the citizens as a whole toward the community as a group of individuals.

Quite often the mere act of organizing will bring forth a vision of a community undertaking and accomplishment which will have unusual publicity value.

It was a toil marked man, dinner pail in hand, who stopped on his way home from work to tell the secretary of a community organization of a dream he had been thinking of for years—the cleaning up of a natural amphitheatre in the heart of the city, the conversion of a public dump into a play place for the children. A million dollars could not buy that recreation center today, and the city has obtained from it a million dollars' worth of publicity while the children were enjoying it.

When a city in New York was thinking of rebuilding its community organization, no appeal had more influence than an informal talk one evening by a citizen who presented a vision of an educational system so good that the whole world would look to it as a model. "Think what it would mean to this city to have people everywhere saying, 'there are the best schools from kindergarten to university; they are without an equal anywhere else.' Why, you could not keep people away; they would come in here faster than we could build homes for them." And then he showed how easily and cheaply such a reputation could be achieved—by the simple trick of the whole community going about it in a united, determined and orderly way.

Naturally, in every community, the big things are first to be undertaken. And as one task is disposed of another always takes its place. "A city is never finished." But along with the major undertakings of a community organization, some of the minor projects which will have been brought to the fore will receive attention.

The rule may be laid down that the live town always has a live community organization. It can't be otherwise. One cannot conceive of a really progressive city which ever gained a reputation for forward-going through the initiative or deeds of individuals acting as such. If each of the "big men" of a city thought and acted alone, in community affairs, who would there be to spread his fame or that of the city? for the others would all be occupied in attending strictly to their own concerns.

Most cities have community organizations, it will be said; why are not they all alive? Because the organizations are not well organized; they lack in numbers and income, in a clear understanding of what they were formed to perform, in a right conception of their relationship to their communities.

V

Community publicity is a subtle and strange thing, but it operates according to rules just as firmly established as those which govern the building and handling of any other piece of machinery. Here is a true story:

There is a city in Michigan whose citizens once raised a fund of $50,000 to be spent in what someone has described as the business of "factory grabbing." The money was so spent, in three years. It did not bring a single new industry to the town. When the fund was about exhausted the organization met to wind up its affairs. The motion had been made and seconded when a leading citizen arose.

"We have spent our money," he said, "and haven't a thing to show for it. This has set me to wondering if we were not on the wrong track. While we have been trying to bring factories here, we have overlooked our own city. The streets are out of repair. We have no parks. Our schools, fire and police departments are a joke. The city hasn't enough civic spirit to light a bonfire. Now instead of going out of business, suppose we all chip in to another fund and spend that money trying to improve our home city. Let's try it for a year anyway."

His enthusiasm prevailed. At the end of the year the results were such that the organization financed itself for another year, and then a third.

When the third year had run its course the same leading citizen made another little speech:

"We spent $50,000 to get new factories, and didn't get one. We have spent about the same amount trying to see how good a town we could make of this, and now look at the inventory: More than a dozen new industries have quietly come in and made their homes here. We have gained 40 per cent in population. We have good streets, good schools, several parks, efficient fire and police protection, and we are all loudly and proudly telling the rest of the country that this is the best city on this continent. We not only believe it, but we know it, and if called on, we can prove it."

Community publicity is about 90 per cent civic spirit, manifested in a community organization.

WILL LOW FARES HELP TO CURE HIGH COSTS?

BY WALTER JACKSON

Consultant on Electric Railway Fares and Service, Former Associate Editor and Business Manager of Electric Railway Journal.

NOTHING could seem more unorthodox than the idea expressed by the title of this article. What—advocate a reduction in the selling price of transportation at the very time that costs are at a maximum? Could any paradox be more absurd than this? Well, then, let us see first what has been the result of the opposite policy, that of increasing the rate of fare.

Hundreds of American electric railways have received the increase in rates for which they longed so eagerly. It is not on record, however, that they are quite as pleased as they hoped to be, for almost invariably the augmentation of revenue has been less than expected. This disappointment has been accentuated by still further jumps in costs, especially of platform wages, which have easily outstripped the increases in revenue.

If the American electric railway were carrying fully-loaded cars all day long, there would be but one way of getting more revenue, to wit, by an increase in the unit fare return per passenger; but for only four hours in the day are its cars over-crowded, while for fourteen to sixteen hours just a portion of the seats are occupied. Even the rush hours average little better than a seat per passenger when we bear in mind that the cars returning against the current of travel are usually empty.

The consequence of an increase in fare is to make this poor load factor still worse through the reduction of the short-haul or profit-producing rider. Any increase in revenue obtained through raising fares is less than it seems because the cost of carrying the remaining passengers per unit is greater than it was before. To put the matter more technically, the same number of car-hours and car-miles must be given for a smaller number of riders while the investment charges remain as heavy as ever. It is poor policy to cut the number of car-hours and car-miles in proportion to the reduction in riding because this discourages the return of the short rider. Yet more than one railway, in sheer desperation, has done this suicidal thing, much to the joy of the jitney and of the automobile accessories merchant.

Even if the increased unit fare does accomplish the end of meeting fixed charges and paying modest dividends its use cannot be deemed a good omen for the continuance of the electric railway industry as the foremost common carrier. No industry can live and grow on a constantly diminishing clientele; on extracting as much as possible from the individual rider who perforce must use the street car. Such an electric railway may, for a time, conserve the interests of its investors but it will have no occasion to buy new cars, track, wire and power-house equipment. Indeed, a number of electric railways which have raised their fares and lowered their patronage are now selling such material instead of buying it. That is the natural consequence of trying

to *salvage* the property instead of trying intensive merchandising first.

But the most alarming feature of the railway which carries fewer passengers with each increase in fare is its diminishing value as a public utility. It is no longer the natural carry-all, the great time-saver of the general public. It has become simply an organization which puts the conservation of the property ahead of its primary purpose of carrying the greatest possible number of people who could be benefited by its service. In deliberately diminishing its usefulness, therefore, such a railway invites the competition of the jitney and private automobile.

If it is agreed that the policy of increasing the unit fare is resulting in a declining usefulness of the street railway, we may think it worth while to see if better results could be expected from the totally opposite policy of lowering the fares at a gain to both the railway investor and the railway user.

WHY AMERICAN CARS ARE UNDERLOADED MOST OF THE DAY

The startling contrast between the peak and off-peak hours of the American street railway is of such long standing that the operator and the public have long taken it for granted. Yet if we examine the traffic load curves of British cities we will note a much more favorable contrast between the loads carried at different hours of the day. This is not due to differences in working hours nearly as much as to the different way of charging for transportation. The United States uses a flat fare which does not encourage short riding; the United Kingdom uses a graduated fare which does encourage short riding. In both countries the majority of rush-hour riders are long riders—people going to or from work; and in both countries the majority of off-peak riders are short riders. The difference, however, is that in America the short riders are an insignificant factor almost, while in Great Britain they form the backbone of the riding and the revenue, Note also that this latter fact holds true whether the city is large or small, solidly built up or diffused, manufacturing or residential. Any American street railway that could approach the density of traffic found in England would surely enjoy a renewed lease on prosperity.

The American electric railway is suffering to-day from the effect of the unit fare policy for which, it may be added, the American municipality is equally responsible. To get an unlimited distance for the same fare, not merely in the same community but in practically every city of America, was a condition not calculated to give the American car rider any idea of the cost of street railway service. The reaction for the street railway manager was just as bad. What was the use, he reasoned, of trying to determine the cost of carrying a passenger a given distance when people could ride as far as they pleased for the same fare?

Still more germane to our subject, was the manager's other reaction that there was no use in trying to build up short-ride traffic through giving the increased service that is a necessity under a short-fare, short-ride system. He took it for granted that people usually rode only when they had to and when they felt they were getting their money's worth. The manager reasoned that although a man got five miles for five cents, he would not be inclined because of that bargain to pay five cents for one mile or less.

Thus it came to pass that the bright electric railway operator was he who

used the largest cars to obtain the lowest platform expense, for when larger cars replaced the smaller ones the intervals between the cars were lengthened so that fewer conductors and motormen could handle the same number of passengers. Operators gloated over the obvious reduction in expenses but few realized then that they were driving away trade. Indeed the big-car fantasy finally reached the absurd point where a resident in a medium-size town could walk from home to office before the arrival of a car!

It was not until the coming in large numbers of the private automobile and of the jitney that many American electric railway operators began to realize that they had made no allowance for frequency of service in building up riding, let alone the other important factor of a short rate for a short ride. They saw also that the jitney not only took traffic away from them but created entirely new business because of its more frequent service. From this experience came the use of the automatic or safety type of one-man car which never fails to build up new business wherever it is installed to give more service. It is noteworthy, too, that people are willing to pay more money for better service.

But frequency of service with more economical car units is only half the story in trying to secure more revenue through the increased rather than decreased usefulness of the street railway. The American electric railway must also, where the population is reasonably compact and the routes at least two miles long, be prepared to sell transportation in the size of package and at a price in proportion thereto that the customer wants. No longer can it be urged that there is nothing sweeter and finer than the five-cent fare and the free transfer, for we have with us today the six-, seven- or eight-cent fare and the two- or three-cent transfer—a combination with all the faults of the flat and zone systems but the virtues of neither. So the time has come when the alleged complexity of differential fares cannot be urged against their adoption.

IMPROVING THE LOAD FACTOR THROUGH LOW FARES

In discussing the building up of revenue through giving lower fares for shorter distances or through other means, it is well to bear in mind that even under the five-cent flat fare there was a certain amount of voluntary or short-haul riding. Judging by the losses in traffic which followed many fare increases from five to but six cents, the proportion of these short riders and long riders who could refrain from riding was 10 to 15 per cent. Consequently, the restoration of the five-cent fare for the average distance represented by these classes would bring the traffic back almost immediately.

But the experience of hundreds of zone fare street railways operating under the widest variety of conditions from Britain to New Zealand indicates that a properly graduated system of fares ought to give us from 40 to 50 per cent passengers riding up to say one and one-half miles. If we succeed in creating as much more traffic as this difference in percentage (40 to 50 as compared with 10 to 15 per cent) indicates, it will not be necessary for our electric railways to put all the burden of increased costs upon the poor fellow who *must* use the trolley. A recent case in which some of the former five-cent riders find themselves asked to pay double and even triple fare is an example of the policy which

does not take into account the creation of new riders for new revenue.

When a street railway has a large proportion of short riders, the contrast between peak and off-peak hours, as already hinted, is much less severe than on a flat fare system. The reason is to be found in the enormous increase in neighborhood riding by women, children, merchants' clerks, etc. Most of these short riders keep off of the cars during the rush hours because if the service does not offer seats they can walk, but they are ready to ride at other times provided they can get frequent service. On most zone-fare roads also there are three rush periods instead of two because many of the short riders also go home for lunch. Lunch riding is supposed to be a British characteristic but we have plenty of proof that the provision of more frequent service alone will tempt Americans to give up the downtown restaurant.

There are, of course, many towns which are too small for a graduated fare, but these need not give up hope in consequence thereof. As most of these smaller cities will soon be operating with one-man cars, it would be undesirable to complicate the work of the car operator by asking him to handle a variety of reduced rate tickets good only for certain hours of the day. If any reduced rate is used, it should apply only to the off-peak hours when it is feasible for the car operator to handle tickets and when there are ample seats available. The old-time reduced rate for rush hours is, of course, an economic absurdity since it usually costs more to carry a passenger in the rush hours than at other times. From the viewpoint of the railway, tickets of different prices are also undesirable in the opportunity that they give to a dishonest conductor to substitute a low-price ticket for a high-price ticket or cash fare.

The writer's solution for securing more revenue for the small-town railway at an actual reduction in the cost per ride contemplates the use of a weekly commutation ticket, the price of which would be equal to say three rides a day. This means that a person taking four rides a day would get one pair of rides, taken either at noon or at night, for half price; but without the complication of special tickets or of cash handling by the car operator. In fact the car operator would be relieved of considerable work by this plan. The ticket might be good for unlimited rides within a week, so that the car operator would not even have to punch the ticket. No harm would ensue from making such tickets transferable since only one person could use a ticket at one time. The workman going to his job, for example, could not well give the ticket to his wife until he returned at night.

Under this plan, it is obvious that the extra riding would come during the off-peak hours when there are seats to spare, since the chief purchasers of these tickets would be people who are already riding twice a day during the rush hours in going to and from work. The other purchasers would include agents, shoppers, students and employers who would give this ticket to their errand boys instead of furnishing cash which often never gets to the coffers of the railway! By this plan, there is promised the same desirable and needed increase in load factor, or use of the investment in equipment that the short-ride fare offers for larger cities.

To conclude: If the electric railway is to become of greater instead of less usefulness to the community, the revenue which it needs ought to come, if possible from the creation of new

business rather than by assessing the full burden of increased expenses upon the diminishing number of passengers who must use the service. So long as it is possible to carry a person cheaper via electric railway, or electric railway and bus, than by the privately owned automobile or the untaxed, unreliable and unregulated jitney, the electric railway manager must leave no means untried for getting more customers instead of less.

THE FATE OF THE FIVE-CENT FARE

V. TOLEDO, OHIO

BY WENDELL F. JOHNSON

Secretary, Municipal Commission of Publicity and Efficiency, Toledo, Ohio

Previous articles in the series have dealt with Boston, Montreal and Chicago. Articles on the situations in San Francisco, Detroit, Indianapolis and other cities are in prospect. :: :: :: ::

THE SITUATION IN BRIEF

To-day, August 1, 1919, the Toledo street railway system faces this situation:

1. The Toledo Railways and Light Company has been operating without a franchise since 1914.

2. An ordinance passed by council and approved by Mayor Schreiber, ordering the Toledo Railways and Light Company to remove their property from the streets of the city, was to have gone into effect to-night, but referendum petitions filed at the last moment by a committee of business men, heads off action by the city until the ordinance can be submitted to the voters at the November election.

3. A tentative draft of a new 25-year franchise has been presented to council by the company. No action by council has yet been taken on this proposed franchise. The company has notified the city that if council does not submit to the voters at the November election, either the franchise they have proposed or a modified form of that franchise, as agreed upon by city and company, that the company will itself initiate action to place their franchise before the people at that time.

4. Meanwhile the company continues to operate, charging their increased rate of fare recently put into effect, namely, six cents cash fare, with a two-cent transfer.

HISTORY OF TOLEDO'S STREET CAR FIGHT

The subject has been before the people of Toledo ever since the company first began negotiations for a renewal of their franchise, several years before their old grants were to expire. Every council and every administration since Samuel M. Jones was mayor of Toledo has had to grapple with the problem of arranging a definite relationship between city and company.

Beginning with the famous "petition-in-boots" in which citizens thronged to the council chamber to protest against the granting of a franchise to the company, the municipal history of Toledo has bristled with events connected with various phases of this public utility question. Expiration in 1910 of a number of grants to the company permitting them to use certain streets gave the city an oppor-

tunity to act, and an ordinance was passed on July 26, 1911, and signed by Mayor Brand Whitlock, requiring a payment to the city from the company of $250 per day for the use of those streets. Failure to comply with this order was to be followed by steps to throw the company from the streets.

Nothing happened, and on November 24, 1913, another ordinance was passed by council and signed by Whitlock, fixing the rate of fare at three cents with universal transfers, reiterating the provision of the former ordinance requiring a daily rental charge of $250 from the company, and providing for the abandonment of the streets by the company if either provision were ignored. The ordinance was to go into effect March 27, 1914, when the remaining franchises held by the company were to expire.

WHEN PASSENGERS RODE FREE

When that day rolled around, Mayor Keller undertook to enforce the provisions of the ordinance. The citizens were informed that three cents was the legal rate of fare and that they should refuse to pay more. The company countered by refusing to accept three cents as payment of fare, instructing their conductors to permit persons to ride without paying rather than accept the amount fixed by the city.

For several days large numbers of persons rode free of charge. Many passengers, on the other hand, preferred to pay the five-cent fare demanded by the company. The matter was finally settled by the United States district court, when Judge Killits ruled that the three-cent fare ordinance was confiscatory and invalid. No further attempts have been made to enforce the ordinance.

COURT BLOCKS RATE FIXING

Since that time the rate of fare has been raised three times, first by eliminating the three-cent fare, formerly allowed during certain hours of the day, then by fixing a straight five-cent fare with a one-cent transfer, and just recently by raising the rate to six cents straight with a two-cent transfer. Efforts of the city to stop the increases were blocked by action of the Federal Court in ruling that so long as the company has no franchise the city cannot fix the rate of fare to be charged.

The court did rule, however, that so long as the company has no franchise, the city has full power to deny the company the use of the streets. It was this ruling on which the administration based their decision to oust the company from the streets, after they had arbitrarily and without warning made a further increase in the rate of fare. By passing an ordinance that gave the company no alternative but to remove their railway from the streets the city prevented any recourse to the courts with the resultant litigation. The ouster ordinance was an attempt to bring the company to terms.

The company accepted the order and prepared to leave the streets on July 31. The city began receiving proposals for other means of transportation. Arrangements were made to have a system of auto bus lines begin operation August 1. The difficulty was that the bus company wanted a franchise giving them a monopoly of the business before they invested money in equipment. This could not be done at once as such franchises must be submitted to the voters.

In the absence of a definite plan for a substitute transportation system, the public began to fear that they would have to walk. Opposition to the bus

system was made too, by the carmen's union and the electrical workers union, whose members would thereby be deprived of jobs. Organizations of business men adopted resolutions against the ouster, fearing that business would be disrupted if transportation should cease.

COMPANY SUBMITS A FRANCHISE

At this juncture the company, through its president, Frank R. Coates, addressed a communication to the city in which they proposed to continue operating the cars until lawfully prevented, for the sake of the public, to whom street car service was essential. They announced that they were preparing a plan for the permanent settlement of the whole question, embodying the service-at-cost principle, and modelled closely after the Cleveland plan.

The city received the communication but stood pat on the ouster ordinance. Then, to prevent the ordinance from going into effect, a committee of business men circulated petitions for a referendum on the measure, and secured twice the required number of signatures. As a result, the ordinance cannot now be enforced until after the November election, if at all.

THE COMING ELECTION

Present prospects are, therefore, that at that election two propositions affecting the street car situation will be submitted to popular vote: One an ordinance ordering the Toledo Railways and Light Company off the streets, which if sustained would deprive the city of street car service at once. The other, a franchise to the Toledo Railways and Light Company which, if approved by the voters, would settle the whole question for twenty-five years. In such a contingency, the casual observer would hardly expect a vote that would be unfavorable to a franchise. Of course there is a possibility that both measures will be voted down, in which case the situation will remain as it has during the last few years, the company continuing to operate untrammeled by a franchise.

THE PROPOSED FRANCHISE

The chief features of the franchise proposed by the company are as follows:

As to Valuation. An arbitration board of three members is to report on a valuation of the system, within six months. They are instructed to include in this capital value, the amount necessary to create the business and property new, deducting only the amount required to place the system in first class operating condition.

To this initial capital value shall be added from time to time sums expended in extensions, betterments and permanent improvements. From the capital value shall be deducted moneys received from the sale of property included in the capital value, and not expended in making extensions, betterments and permanent improvements.

Franchise Rights, good will, outstanding bonds or other securities are not to be considered at all in fixing the capital value.

As to the Company's Return on their Investment. The company is to be guaranteed a net return of not less than 6 per cent on the capital value of the system.

The company may receive more than 6 per cent if the arbitration board at any time decides by a majority vote that a higher per cent would be a reasonable return. Failure of the

company to comply with orders from the arbitration board as to service, rate of fare, or any other matter under their jurisdiction permits the board to reduce the company's rate of return except that it can never be less than 6 per cent on the capital value.

As to the Rate of Fare. A sliding scale of fares is provided for, with no minimum nor maximum. The initial fare is to be five cents cash fare with one-cent transfers. After the first six months the fare is to be fixed from time to time by an arbitration board, at a rate sufficient to pay operating expenses maintain the equalizing fund at 5 per cent of the capital value, and yield the fixed return to the company.

As to the Equalizing Fund. The company is to create this fund with a deposit equal to 5 per cent of the capital value of the system. To the fund is to be added monthly the surplus left after paying operating expenses, and allowing for the dividend to the company. From the fund are to be paid all taxes, and certain other charges. The intention is to keep the equalizing fund about equal to 5 per cent of the capital value. When it reaches 3 per cent of the capital value that is *prima facie* evidence of the necessity of a higher rate of fare. When it reaches 7 per cent, that is *prima facie* evidence of the necessity of a lower rate of fare.

As to Control by the City. A street railroad commissioner, whose salary is paid by the company in a sum to be fixed by council, is to look after the city's interests, keep the city informed as to earnings, expenditures, and service, and recommend changes in routes or in schedules. The city is to control all extensions and permanent improvements and may eliminate unnecessary lines. In case of disagreement matters are to be submitted to arbitration.

But the city's control over extensions and improvements ends whenever only fifteen years remain of the unexpired term of the franchise or renewals.

As to Amortization. If, when only fifteen years remain of the unexpired term of the franchise, the franchise is not renewed or extended, the company may begin accumulating an amortization fund, by setting aside annually a sufficient reserve so that this reserve shall at the expiration of the grant equal the amount of the then capital value of the system, less the estimated salvage value of the property.

As to Purchase by the City. The city has the right at any time before the expiration of the franchise to purchase the street railway system at a price equal to the capital value of the property plus 10 per cent. After the franchise has expired the city may purchase the system for a sum equal to the capital value without the 10 per cent premium.

As to Purchase by Another Company. The system may be purchased at any time by a community traction company, owned by car-riders, or after the expiration of the franchise by any other company at a purchase price equal to the capital value of the system.

CONCLUSION

The possibility of a permanent settlement of the street car question here, with city control over service, and with fares to be governed by the cost of the service, is rather an alluring prospect to the people of Toledo, when this question has for so many years kept the public in a turmoil and provided campaign material for politicians. There appears to be such a possibility in the opportunity now offered to negotiate with the company on a new franchise.

But whether or not the city would

have to pay too high a price for the peace thus offered is a question that can only be answered when the negotiations are closed. The franchise as now framed is highly favorable to the company. The city may be able to secure modifications that will make it more favorable to the city.

The last five years have shown the city that a public utility without a franchise has many advantages that a utility with a franchise cannot enjoy. It is independent of city control and can do as it pleases.

If a satisfactory agreement can be reached, a franchise will doubtless be granted soon and street car service will continue. If not, then it is probable that either a substitute means of transportation will be found, or the city will venture out upon municipal ownership of the street railway.

CLEVELAND'S EFFORT FOR CITY-COUNTY CONSOLIDATION

BY C. A. DYKSTRA
Secretary, Civic League of Cleveland

Each year sees just a little more attention turned toward county government, "the dark continent of American politics." In Oregon, Utah and Ohio efforts were made in 1919 to dispose of county governments that overlapped municipalities, the Ohio campaign being the most important. :: :: :: :: :: :: :: ::

RESTING peacefully in the silence of the Ohio senate's committee on constitutional amendments sleeps the county home rule amendment known as senate joint resolution no. 24. The committee's watchful care prevents any intrusion or disturbance. No movement or motion which might by some chance waken the sleeper is tolerated in its vicinity. For reasons which will develop as the story proceeds it is presumably an evidence of statesmanship at this time to "let sleeping dogs lie."

For several years there has been a healthy interest in a number of Ohio cities in a movement for the consolidation of local governments. This proposal originated in and is most demanded by the city of Cleveland. The voter's organization, known as the Civic League, after years of intimate acquaintance with the problems of local government in the city and county came to the conclusion that the vital public interests of the whole community would be advanced if there were fewer governments and a larger degree of local autonomy. At the same time the voters' burden would be lightened and the activities of the league itself immensely simplified. The Civic League therefore committed itself to the so-called city-county consolidation program and launched an amendment to the state constitution in the Ohio general assembly of 1917. This amending resolution passed the senate but succumbed to the operation known as "indefinite postponement" in the house.

THE 1917 PROPOSAL

Since the 1919 resolution is more comprehensive than the 1917 proposal the earlier amendment should be here introduced as exhibit A. It provided, in brief, for an addition to the municipal home rule section of the constitution, to be known as section 15, which permitted counties containing a city of more than 100,000 inhabitants or any portion of such counties to consolidate the local governments within such area into one municipal government by the process of charter adoption provided in the resolution. The procedure included a 10 per cent petition filed with the court of appeals, a court hearing, the establishment of boundary lines and then a referendum within the limits so established. A three-fifths majority of those voting on the question was required for ratification. In the event of ratification the charter was to be framed in the manner provided for

in home-rule cities—by an elected commission of 15 members. The new district thus created was to be declared a county for the performance of state functions and a home rule city as well.

THE 1919 PROPOSAL

Exhibit B is the proposed amendment referred to above as senate joint resolution no. 24—the one now resting in committee. This proposal attacks the problem from the county rather than the city angle. It adds a new article to the constitution to be known as article xix. It attempts to provide four things:

1. Home rule for any county which frames and adopts its own charter. Under this provision counties would be free to establish commission or commission-manager government or any other form if they wished to take the trouble to do so.

2. A consolidated government in counties of 200,000 which elect to proceed under section 2 of the article. Such counties may wipe out any or all of the present political units and establish in their stead "a unified government over the entire county" with boroughs or assessment districts as may be most convenient and equitable.

3. Machinery to make the amendment self executing through the ordinary election officials and not the courts.

4. The consolidated governments become both a city and a county—not through annexation by the city or absorption by the county but through the creation of a new type of political unit by the conscious effort of a relatively homogeneous community.

The Ohio Proposal is a recognized effort to abolish arbitrary political boundaries and summon all of the community resources, human and material, to the common task of community endeavor.

THE CAMPAIGN AND ITS BACKGROUND

The movement for county home rule and permissive county consolidation rests on certain fundamental considerations and the case is well documented. It is apparent to thoughtful citizens throughout the state that the legislature cannot know local county problems. Moreover in trying to deal with them it is constantly confronted by the constitutional restrictions upon special legislation and the requirements as to constitutional county officers. This means a general law of county organization. Counties must have auditors, treasurers, sheriffs, coroners, commissioners, and so forth, whether they need them and want them or not. Counties with 20,000 people must have the same governmental equipment that a county of a million souls has. The ordinary citizen wonders why he must run a Pierce-Arrow on a Ford income if a Ford will do the work. Without question the present county organization could be simplified to the advantage of many counties and revamped in the interest of many others. Thus the case for county home rule or at least a constitutional rule which will allow the legislature to frame optional charters for counties is theoretically and practically sound.

Many sections of Ohio have become quite thoroughly industrialized. In these sections the business of county government is no longer the care of agricultural and rural interests. County problems in these communities are rapidly taking on the character of city problems—health, congestion and housing, police and fire, scientific transportation and road problems and the like. The old typical county

machinery was not devised to meet these modern conditions. It has, therefore, been necessary to create many municipal corporations within such counties, to care for the rapidly expanding public interests of these communities. The result in such counties as Cuyahoga and Hamilton, for instance, is a group of separate unrelated political districts each engaged upon solving certain common problems in their own way and from their own point of view. The several municipalities in Cuyahoga, for example, deal with the Cleveland railway company through separate franchises. These, however, must be agreed to by the Cleveland city council under the provisions of the Tayler grant. At this present moment this city council is being asked to ratify the Lakewood ordinance which guarantees the 3-cent fare within that city—a fare which the greater city cannot enjoy because of the rising cost of transportation. East Cleveland enjoys a 5-cent fare to the Public Square because no transfers are needed. Citizens of Cleveland who ride only half as far as East Clevelanders or Lakewoodites but who must transfer on a cross town line pay a penny for transfer. Thus within the greater city there are in force several rates of fare made possible by the present political divisions and curiously enough it is the citizen of the congested district who suffers by the arrangement since he pays a portion of the fare of the long distance traveler who lives in suburban territory. The same difficulties of administration appear in dealing with other utility problems. These metropolitan districts are perforce creating a "twilight zone" certain to make trouble as congestion increases. The evil of too many governments, in a sense competing with one another, must be met and solved in these populous and municipalized counties.

A third fundamental to be kept in mind is that as government costs rise such savings as can be made by reducing overhead expenses become mandatory upon metropolitan areas. We can no longer enjoy the luxury of tiny independent governments since public improvements dip into our treasuries with insistent demands. Office expense is exceedingly heavy in popular government. No ordinary business could pay the interest and rent charges common in public affairs and escape bankruptcy. Too much public office space is but half used, too many clerks and secretaries are lonesomely putting in short hours, too many supervisors are not busy enough to be effective and too much public equipment of one kind or another is in service for part time only. Co-operative use would be time-saving and money-saving, and at the same time would relieve a good deal of boredom in the public service and the tops of many desks, of feet. There is little more reason for separate and independent governments within a relatively homogeneous area than there is for several competing water, light or telephone services. It is just a little harder to see the logic of this reasoning because we attack political problems with closed minds. We were taught that popular government is expensive and inefficient and are quite accustomed to pay the price. It has long been considered axiomatic that democracy is worth its money costs. The contention that even a democratic government can be made efficient is a political heresy. But heresies gradually tend to become orthodox and it is the hope of many students of politics to-day that by dint of reiteration the idea of public efficiency may become a canon of democracy.

We are also developing in these latter days a sense of community responsibility. Competition is giving way to co-operation whether we like it or not. Our liberties and our lives are bound together for better or for worse—municipally, nationally and internationally. No Chinese wall can be built about any people in this day. And just as no nation can be indifferent to the fate of a neighbor so no man can escape his large responsibility by moving across a boundary line. What the mother city needs and does is of fundamental importance to the so-called "satellite cities." The slow crowding out of city residence districts of those who can afford the freedom and air of the suburbs is a process going on in all metropolitan centers. In the course of time this process leaves within the limits of the old political city only those who for economic or social reasons cannot get out. By the same token this process tends to leave the political control of the immense problems of the congested city in the hands of those who know how to deal with the new cosmopolitan voters who make up the industrial workers. It develops the class of political leaders who have made politics a byword in American life. Gradually we are recognizing this fact and beginning to believe that no one in the community can evade his responsibility by declaring that his allegiance is due only to the small select group he is helping to develop just over the line. Educational, health, recreational and general police needs of the whole community are the care of everyone who is a part of the community. Democracy can thrive only through the process of sharing burdens. It demands a leadership denied to it in many metropolitan districts, because of artificial boundary lines.

Upon such fundamental considerations as these rests the psychology of the consolidation and county home rule proposals in Ohio and particularly in Cleveland. The practical and economic arguments are self evident from a recital of just a few facts. Cuyahoga county has at the present moment 93 political units. These elect more than 800 public officers. Within them there are appointed more than 10,000 additional officers. There are 78 elective bodies determining policies, 35 elected mayors executing policies, 52 elective treasurers, and so on. The bill for wages alone in 1917 was $8,139,942. About one half of the county area is included within municipalities; 98 per cent of a population of approximately 1,000,000 is. The city of Cleveland is hemmed in on practically every boundary by incorporated suburban cities and villages. It cannot direct its own future growth but must leave that problem to the mercy of contiguous cities. New allotments are developed and exploited with little regard to the street arrangement, the sewer system, and the boulevard and park development of the larger city. The transportation, water, light, health and public safety problems are common concerns but are handled separately, while functions are being duplicated and effort is therefore wasted. It is believed that consolidation in this county can affect some such savings as Denver has experienced under its new unified system —some 20 per cent. This would amount to a substantial sum in a community that raises more than $25,000,000 annually in taxes, one third of which is spent for wages.

PUBLIC SENTIMENT

Within the city of Cleveland there is a very strong feeling that the

suburbs ought to be a part of the larger city. To many the idea of annexation appeals. The city council recently passed a resolution calling upon the legislature to simplify the process of annexation so that suburban territory can be forced unto the city without the consent of the suburban districts affected. The general feeling which is back of such a demand proceeds from a belief that suburbanites are enjoying advantages paid for by the city taxpayers and, second, the typically general American desire to bulk large in the census reports. But those who back the consolidation idea are looking further than any annexation process contemplates. They want a new deal in local government with an organization determined upon after a careful survey of community needs. They want a single unified government over the political district now included within the county lines. This new district must be county-wide because of practical and constitutional reasons which in fact would prevent the division of the county into urban and rural territory.

Annexationists pure and simple will probably back almost any consolidation proposal. Those who oppose annexation are, of course, usually against consolidation. Many suburbanites consider the movement as a direct violation of the principle of self determination. They believe that public affairs are better administered under the present arrangement. They allege that their schools will suffer and their taxes will rise under a consolidated government. They want to be left alone to spend public money as they please. They do not want to be dictated to by majorities created within the city—"to be swallowed up"is the phrase. There are minorities of varying strength in the different political divisions who declare that this opposition is selfish and short sighted. Only an election can determine the strength of either group. Most people agree, however, that it is merely a question of time when merger will come. Those who oppose hope to put off "the evil day" as long as possible.

THE PROGRAM AND POLITICS

The proponents of S. J. R. 24 have attempted to avoid any dabbling in party politics. The resolution was introduced by a member of the Cuyahoga county delegation in the legislature. This delegation of 17 members are all Democrats and in the minority at Columbus. The governor is a Democrat. The city administration is Republican and the county offices are held by Democrats. The proposal has, therefore, aroused certain party comments and attitudes. There seems to be a feeling in Democratic quarters that since the suburbs are strongly Republican and the city normally Democratic the Republicans will profit by the merger in the new organization. The present county administration is accounted for, they say, by local considerations, one of which is that the Republican organization has won for the time being the support of the liberals—liberals meaning "wets" in spite of the fact that officially the Republicans are the dry party. The resolution does not have the official endorsement of either party and it is mere speculation to guess at party influences one way or another. Prominent Democrats and Republicans have pushed the proposal as individuals. A majority of the Cuyahoga delegation in the general assembly will support the resolution if given an opportunity.

The question then naturally arises as to why the proposed amendment

is kept in committee. Senator Angew, who introduced S. J. R. 24, is chairman of the committee. Three hearings have been held on the measure and a majority of the committee favor reporting it out for passage. The house committee has agreed to support it instead of a "commission government" amendment for counties which was introduced in the lower house.

Senator Agnew gives two reasons—that the lower house will never pass the resolution and he would rather not report than have it defeated, and, second, that the Cuyahoga senatorial delegation is split on the question and the situation is, therefore, embarrassing. Neither of these reasons seem sufficient to the proponents of this measure. The feeling that the lower house will refuse to concur arises from the attitude of the state grange which is on record that consolidation will be hurtful to the farmer's interests. This, of course, is mere assertion and is not susceptible of proof. As a matter of practical politics no county in the state for years would probably take advantage of the consolidation possibility except Cuyahoga and this county is at present 98 per cent urban. The writer is inclined to believe that if a fair fight could be staged in the legislature the proposal would win, for the home rule provision of the amendment would attract many votes. He is, therefore, almost forced to the conclusion that there is a difference of opinion in Democratic circles in Cuyahoga county as to what consolidation might mean politically. It seems to be taken for granted that the people would vote it up if given a chance. It seems wise, therefore, to allow the proposal to sleep.

It must be said in explanation of the seeming lack of interest in this amendment at Columbus that the assembly has been harassed by two problems of great importance—the matter of "dry" legislation authorized by constitutional amendment, and the question of financial relief for cities and schools. Both questions have been bitterly fought over and the situation has been aggravated by the governor's persistent use of the veto. The legislature has recessed and reconvened until the members are quite out of patience with almost every conceivable legislative idea. To be brought together for the fourth time in the middle of June seems a nuisance not contemplated during the campaign last November. This consolidation proposal has, therefore, met with hard sledding. It is possible that at the session to be called after the coming November elections some real progress may be made in getting the measure discussed on its merits on the floor of the assembly. Meanwhile consolidationists will continue the process of education, hoping that they are right who say that education is the process of democracy.

HONK-HONK AND KLAX-AX-AX-AX-AX!

BY ELMER S. BATTERSON

Some reflections by a Chicago citizen on the modern automobile horns that seek to outdo each other as earsores and on the theory of some automobilists that the pedestrian's duty is to jump. :: :: ::

I

When the first automobiles, with all their crudities, were seen upon city streets, to many of us came the dream of a future time when, with the general use of motor-driven vehicles, much of the prevailing city noise would be eliminated. It was believed that the heavy truck wagons with iron tires would soon be replaced by motor trucks with pneumatic or solid rubber tires and the granite pavement blocks would logically be replaced by some paving of smoother surface and better adapted to the new type of vehicles.

While the machine parts of the first passenger automobiles were very noisy, it could easily be foreseen that the efforts of engineers would at once be directed to the construction of motors which would run more smoothly and the designing of types of chassis which would practically eliminate jarring and rattling. It was foretold that the ceaseless clatter of horses' hoofs would some day be no longer heard and that the air would be no longer rent with the noisy swearing of angry drivers in trying to make the horses understand their wishes.

In some ways, these dreams are being realized. The coming of the practical motor-driven vehicle has furnished the greatest impetus for good roads and for better city pavements. The providing of smooth surfaces for automobile traffic is now regarded as a public necessity from the standpoint both of economy and public comfort. The number of horses used for trucks on city streets is constantly growing smaller and instead we find the easy running electric delivery cars and the ponderous gasoline driven trucks while lighter weight motor delivery cars are seen everywhere. With each advance in the designing and construction of the passenger automobile, attention has been given to the reduction of friction from every known cause so that now, as far as operative machinery is concerned, the automobile may be considered as practically noiseless when operated in the usual way.

II

But has the coming of motor-driven vehicles helped toward attaining a quiet city? We are forced to acknowledge that it has not, for the most casual investigation will convince that, wherever automobile traffic is greatest, there will usually be found the most noisy streets. We may have rebelled at the objectionable noises caused by horse traffic upon congested streets where the rattle of heavy wagons on rough pavements compelled the drivers to raise their voices in directing their teams but the noise thus produced was never as loud or as irritating as that pertaining to the present motor-driven traffic.

Why this great racket and is it a necessary accompaniment of progress? Nearly all of the objectionable noise

comes from the sounding of loud raucous horns used presumably as signals of warning to prevent dangerous accidents, but cannot the turmoil be reduced without diminishing the efficiency of present traffic facilities or endangering the lives of motorists and pedestrians?

The state laws and the ordinances of cities require that some sort of warning signal be placed on motor-driven vehicles and motorists have been careful to comply with these regulations. Nearly all the laws are similar in that they require the signal to be sufficiently loud to serve as a note of warning but the motorist is forbidden to use the signal for making any unnecessary noise. The nature or strength of the required signal is not often defined so there have come into use many varieties of hand and electrically operated horns, gongs and bells of all degrees of noise producing possibilities. Beyond the point of securing the installation of a signal device, the law appears to have little concern, the operation and character of the device being left almost entirely to the will of the automobilist.

On the part of the manufacturers of automobile warning signals, however, there has been a noticeable unanimity of action; each has apparently striven to produce a device at once the loudest, the most raucous sounding and the most startling of any on the market. Here are some extracts from recent advertisements of manufacturers in setting forth the effectiveness of their auto-horns.

"Is the loudest signal of its kind on the market."

"Has the far-reaching call for country roads—the quick, snappy shriek for city traffic."

"Produces a long, clear and insistent warning which cannot be unheeded."

"Even a weak little buzzer or an old time bulb horn sounds big and commanding when demonstrated indoors. Motorists are demanding for their life's sake a signal that sounds sure safety out in the din of the traffic."

"Makes a noise that clears the way half a mile ahead."

"It doesn't make pretty music but—it warns. Its clear dominant note crystallizes the hesitant pedestrian's thought—it makes him move."

"It jolts the air with a threat of danger, sharp and insistent."

"Gives a greater volume of sound than any other similar alarm."

"Has a piercing 'get-out-of-the-way' sound."

"It demands attention and right of way."

"Can be heard further than any object can be seen on a country road. Sound is not objectionable to occupants of car because horn throws it way ahead."

In illustration of the common disregard of public comfort which has been so evident in the evolution of the auto-horn, might well be quoted the words of a writer on automobile topics in a prominent American magazine. In discussing various types of automobile signals, he says: "Along with the old reed horn came the electric bell and the shaft driven siren. These signals had precisely the same fault as their contemporary; they had not nearly enough power and no distinct raucous sound." In describing some new types of auto-horns, he says: "There is scarcely one of these that will not make itself felt at least three-quarters of a mile away over all the other noises of city streets. . . . Power of this kind is essential in an automobile horn. Its warning must reach the ear of everyone who may possibly be in the way long before the car arrives or is even in sight and its sound must not only be distinctive, but half terrifying." In discussing the qualifications of the

"model" auto-horn, the same author says: "The sound of the signal horn, experts in its manufacture agree, must be short, harsh and sharp. Its tone must not be musical, because musical tones lull and soothe. It has to alarm and get the man or woman who hears it 'back to earth' instantly."

The advantages claimed by the manufacturers for their particular horns have apparently had their appeal with motorists for an investigation upon kinds of signals most generally used shows that the loud, startling, raucous type of horn is in greatest demand. Motorists have shown no tendency to disobey the law as far as effectiveness of signal is concerned even though in the use of the horns they violate several other laws which are upon the statute books. Fortunately, in most cities, the municipalities have reserved to themselves the right to use exclusively the siren horn which is probably the most nerve-racking of all automobile signals. When we are aroused by the blasts of one of these shrieking devices called very appropriately "deviline" whistles we may assume that it is not being sounded by a careless joy-speeder but is being used to prepare a path for fire fighting apparatus or for some other emergency purpose.

Of all persons, the motorist should feel it necessary to inform himself fully concerning the laws relating to the use of public streets and highways and also the accepted "laws of the road" by which every driver is supposed to be governed but we find that the average motorist is a confirmed law breaker along lines where he himself is in need of greatest protection.

III

Much of the trouble comes from a mistaken notion concerning the rights and privileges of the motorist in his relationship to other legitimate users of public thoroughfares.

The ability to produce high speed, either on general principles or in enacted laws, gives to the driver of the high speed vehicle no special rights over the slower-going user of a public way. As a matter of fact, the reverse is often made the rule. In a number of cities, the traffic regulations give preference to a horse-drawn over a motor-driven vehicle as to right of way and a search has failed to find any city where the automobile is presumed to have any rights over the pedestrians in the use of street crossings. Apparently, the motorist takes it for granted that he is entitled to the right of way over slower vehicles and over pedestrians at street crossings and consequently he starts sounding his horn when almost a block away from the crossing so as to assure for himself an unobstructed course. To avoid danger, those for whom the blasts are intended usually give good heed to the motorist's commanding signal even though they may be aware of their own legal rights in the matter. Thus, much of the noise caused by the motorist is through disregard not only of legal regulations but also of the rules of common courtesy. Were the motorist willing to take his proper turn in the use of a street crossing there would be no more need of the blasts of the auto-horn than it is necessary for pedestrians to shout the fact when they wish to avoid a collision in turning a street corner.

The traffic regulations of most municipalities definitely limit the speed of motor vehicles while passing through the built-up parts of the city. The speed allowed is, in most cases, not over fifteen miles an hour and at such rate there is little danger to drivers or pedestrians as there is ample time

to avoid collisions even though one be threatened but the motorist, having used his auto-horn to assist in disregarding ordinary rules of courtesy in dealing with other users of the public way, finds it easy to go a step further and use the blasts of his horn to break the speed laws without much danger of serious accident. So when he sounds the horn which may be heard for half a mile, he intends to give warning that he is going at a high speed and expects to continue at that pace. It is quite noticeable that loud blasts of the auto-horn do not appear to be needed when the motorist approaches the traffic officer whose duty includes the enforcement of the speed laws. The speed limits as now named in city ordinances are, in many cases, too low for practical purposes and in many cities a higher limit is tacitly understood to be allowable although without legal sanction. Such a condition is unfortunate and should be remedied. The legal speed limit should be reasonable and then all traffic rules should be strictly enforced.

IV

There is one clause in many city traffic regulations which motorists often disobey and the existence of which is probably not generally known. This relates to reducing the speed of the automobile at street crossings regardless of whether or not danger is threatened. The clause usually provides that the speed of a motor vehicle, in passing a street crossing, must not exceed one half the speed allowable on the balance of the course. Possibly, so radical a traffic rule along this line is not desirable but it is certain that there would be little need of the auto-horn if this regulation were strictly enforced. In a recent magazine article, a writer on automobile topics compares the modern high power automobile to a railway passenger train and makes a plea for more legal provision so that the motorist may have a clear path and opportunity for speed without the annoyance of having to stop frequently to avoid impending danger but, in making the comparison, the author forgets that the railway train runs on its own private right of way while motorists use the public highway upon which it is presumed no special privileges are extended.

While condemning the motorist when he becomes a law breaker, no mercy should be shown the careless pedestrian who crosses the street in the middle of the block or the children who heckle the automobile driver in numerous ways and make the sharp blasts of the auto-horn a real necessity to avoid serious accident. All offenders along these lines should be brought within reach of the law but there is this to be said, that the offenders mentioned are most at fault in risking their own lives and do not often directly cause the whole community discomfort because of their misdeeds. The motorist, in attempting to break the traffic regulations, finds the loud raucous horn his best safeguard against dangerous consequences and the entire neighborhood for many blocks distance suffers as a result. One motorist occasionally causing a severe strain on our nerves might be forgiven by the general public but when the practice of needlessly sounding the auto-horn becomes general, as the tendency now seems to be, there is good reason to believe that some curb upon auto-horn noise will soon be necessary.

V

In adopting ordinances relating to automobile equipment, cities have

usually set some standard to which motorists are compelled to conform. This is true concerning the dimming of lights, the height of rear lamps and the position of fenders but, in passing ordinances relating to auto-horns, the requirements have usually been only general. The automobile owner is allowed to be the judge of whether his warning signal is sufficiently loud to warn and sufficiently weak so as not to unnecessarily annoy. It may seem like carrying too far the idea of censorship but if the public is to be properly protected from the unnecessary noise of auto-horns, there should be some limit placed upon the disturbing possibilities of the horns. The musical notes, as often proposed, are probably not practical for general use but there should be some regulations so that making one's home on a boulevard, devoted largely to automobiles, may not be classed as a punishment. If it is possible for one person or a commission to say what is a proper moving-picture film, it is certainly possible to place some proper restriction upon the sort of noise-producing instrument which may be used upon public streets and highways.

Observation will show how slight a sound is necessary as a warning after we become accustomed to a gentle kind of signal. Teamsters have found that the attention of pedestrians can easily be secured by sounding with their lips simply a low whistle which probably can not be heard for more than a few rods but which well serves in place of a noisy gong or horn. The practice now employed by motorists tends toward the use of louder and still louder horns in order to be heard above the general din of traffic, the motorists not seeming to realize that the endeavor, by means of startling noise, to solve their individual problems constantly makes the general problem more difficult of solution.

It will be remembered that, when the bicycle first appeared, people insisted and ordinances provided that all bicyclists should use warning bells at street crossings. The bicycle inspired a feeling of awe and of danger and it was thought that the bicycle bell would contribute to public comfort but, as soon as bicycles became common and came to be regarded as any other vehicle, people began to complain of the noise of the bells and the confusion which they caused. As a result, many cities passed ordinances prohibiting the use of such alarms. The cyclist then ceased to be a privileged user of the public highway and was compelled to show proper regard for other legitimate users of streets and roads. With noise conditions as they are at present and constantly growing more troublesome, it is not difficult to imagine the automobile going through a similar history and its noise coming to be regarded as a public nuisance. In the brief history related to bicycle noise there should at least be food for serious thought on the part of auto-horn manufacturers who are attempting to produce devices with greater noise possibilities.

THE CONNERSVILLE "SLIDING SCALE"

BY ROBERT D. ARMSTRONG, M. A.
Librarian, Public Service Commission of Indiana

Despite the fame of the Boston arrangement with its gas company permitting higher dividends as a reward for lower rates, it has been very little copied and the Connersville (Ind.) electric light case is only the second instance of the adoption of the principle. :: :: ::

After a trial period of approximately eighteen months, in reviewing its previous order establishing a "sliding scale" relationship between the rate of return and the rates to be charged by the Hydro-Electric Light and Power Company of Connersville, the Public Service Commission of Indiana has affirmed the principle and with certain modifications of detail, has continued it in operation.[1]

The essential feature of the system as first prescribed by the commission on October 29, 1917, was that, starting with a certain schedule of rates which was estimated to yield a return of 6.5 per cent on the value of the property, any future revisions of the schedule should be automatically connected with the rate of return allowed to the company. It was contemplated in the original order that whenever rates should be reduced 10 per cent, the utility should be allowed an additional .5 per cent return, and conversely, whenever rates were increased 10 per cent, the rate of return allowed the utility was to be reduced .5 per cent.

In reviewing this original arrangement, on June 3, 1919, the commission put the proposed "sliding scale" into effect by reducing the rates of the company approximately 10 per cent, and allowing to the company a rate of return under those rates of 7 per cent. At the same time, the "sliding scale" was revised, so that in the future instead of a reduction of 10 per cent, a reduction of only 8 per cent will be necessary for the additional .5 per cent of return, and conversely, an increase of only 8 per cent will be sufficient to reduce the rate of return .5 per cent.

At the end of the trial period, as the result of economies in operation and of some rather fortuitous circumstances, the commission was confronted with the fact that the company had a balance of approximately $10,000 for the year, in addition to the contemplated 6.5 per cent return. To meet this condition, the commission extended the "sliding scale" system by creating an Excess Earnings Fund, into which all gross income above the rate of return allowed should be paid, and from which should be made up possible deficiencies in gross income below the rate of return allowed.

REGULATION IN GREAT BRITAIN

The "sliding scale" relationship between return and rates, while well known and quite prevalent in Great Britain, is comparatively unfamiliar in this country. For this condition there is a historical explanation. Both in Great Britain and in the United States restrictions on public utility

[1] Both orders have been printed and copies may be obtained from the commission on application.

companies were originally imposed by franchise only. In Great Britain these franchises were granted chiefly by special acts of parliament, or by orders of the privy council, while in the United States in the main they were granted by municipal corporations. The fact that nearly all franchises in Great Britain came from a common source, lead to a large degree in uniformity in their provisions, while the fact that franchises in this country were granted by the countless local municipal corporations, lead to great diversity.

The system in vogue in Great Britain was conducive to the working out of a general policy. Since this policy had to be embodied in a franchise, which presumably would hold for a considerable length of time, it was desirable that rate provisions should be as nearly automatic as possible, and adaptable to changing circumstances. Hence the "sliding scale" relationship between the rate of return and rates; if rates are too high, it is to the interest of the utility to bring them down in order that it may have more net income available for return on the investment; if operating conditions are inefficient, it is to the interest of the utility to rectify them, for the same reason.

REGULATION IN AMERICA

In the United States, however, the diversity of franchise provisions led to a radical departure from the franchise system of controlling public utilities. Beginning with the establishment in the early eighties, of the boards of gas and electric commissioners in New York and Massachusetts, and especially since 1907 when the Wisconsin public utility act was passed, the trend has been toward a system of regulation by commission, the essential feature of which is to give large discretionary powers over rates, service, etc., to central commissions and to leave them free to deal with conditions from time to time. This elasticity is the essential feature of regulation of public utilities, as compared with the contractual method of control.

It has become a cardinal principle of commission regulation, that a utility is entitled to earn its operating expenses, including taxes, a fair return on the value of its property and a reasonable allowance for the depreciation of its property. Applied intelligently and with due allowance for efficiency and inefficiency of operation, no exception can be taken to this formula. But human nature being as it is, it is too much to expect a public utility company to strive as hard to promote economies in its management, when it knows that it is entitled to rates sufficient to reimburse it for its operating expenses, as it would strive under a system by which any economies that might be effected would inure to its own benefit. While it is true that commissions may, and often do, refuse to make allowances for operating expenses which are unduly high, this is a punishment, which occurs after the offense is committed and after the money is gone, and is by no means a preventive of extravagance or inefficiency.

ADVANTAGES OF THE SLIDING SCALE

Consequently one of the legitimate criticisms of commission regulation of public utilities is that to some extent it fails to provide the proper incentive to efficiency and economy of operation. It can punish, reward and order, but it cannot so gain control of the will of the operator that it will make him desire to promote efficiency and economy as keenly as if the benefit

thereof would be his alone, and not that of the public. And the "sliding scale" relationship between return and rates establishes just this incentive.

Another advantage of the "sliding scale" is that it is elastic, in fact almost automatic, in its operation. Under the operating conditions that exist today, the basis of rate calculations is upset almost as soon as rates become effective. Commissions are constantly called upon to readjust the rate level. These readjustments present vexed questions upon which the public and the utility are apt to differ with some bitterness. One of these questions is the return to be allowed the utility above the cost of operation. That it should not be the same under both normal and abnormal conditions is generally admitted. But the principles which should control this question are not easy to determine, and Commission practise in general is not based on any clear cut principle.

The "sliding scale" provides a principle, and one under which the interests of the utility harmonize with those of the public. Beginning with a schedule of rates estimated to yield a definite per cent of return, it provides that any deficit or failure to meet that return shall be provided partly by an increase in rates and partly by a decrease in the rate of return for the future. Conversely, it provides that any surplus above that return shall be distributed in the form partly of reduced rates and partly of increased rate of return for the future. In other words, if operating costs are too great to maintain both the existing schedule of rates and the existing return to the utility, they are met by increasing the one and decreasing the other; both the utility and the consumer share in meeting the new level, and according to a definite plan laid down in advance. This promotes co-operation and reduces friction between the utility and its patrons. The commission simply gives effect to the system of adjustment agreed upon in advance.

Operating costs are not likely to fluctuate widely enough to absorb all the return or to permit it to become inordinately great. Only in extreme cases would such be the case. If the operating expenses of the Connersville utility under the first schedule of rates had necessitated an increase in rates of 20 per cent, the return of the utility would only have shrunk to 5.5 per cent, an amount not unreasonably low during the war period. However if permanent increases in operating costs should occur to an extent that would wipe out return, the system could be adjusted to the new operating level by providing a new basic rate of return and a new schedule of rates.

If the increases are only of a temporary character, the "sliding scale" system with its Excess Earnings Fund would prevent any violent fluctuations in rates. A deficit one year would be offset by a surplus the next, or *vice versa*. This would be far better than periodical and violent revisions of schedules to fit rapidly fluctuating operating conditions. This elasticity is one of the principle advantages of the system. Whether rates are readjusted rapidly or only gradually, the system would insure full justice to both utility and consumers, for the condition of the excess earnings fund is the barometer for future readjustments.

The chief danger of the "sliding scale" is that maintenance may be deferred, and the property "skinned," in order to make a showing. While it is not known to what extent this may have been the case in Great Britain, a little reflection will make clear that it is a very real temptation to the operator. However, if the

system is supervised by a commission with an expert staff of engineers and accountants, there is no reason why this cannot be prevented and adequate maintenance enforced. Supervision of this character is one of the essential safeguards of the system.

APPLICATION TO CONNERSVILLE

Ever since Mr. E. I. Lewis became chairman of the Public Service Commission of Indiana, it has been his ambition to apply the "sliding scale" relationship to some Indiana utility to which it was properly adapted, with a view to determining its desirability as a general policy. Mr. Lewis' interest in this question is of long standing, for in 1902 as special correspondent for the *Indianapolis News*, he had investigated systems of regulation in use in Great Britain, especially the "sliding scale" system, with the object of assisting in the formulation of the policy of the city of Indianapolis toward its gas problem, which was then acute.

Many considerations pointed to Connersville as a desirable place for the experiment. It is a rapidly growing industrial community, with a population of between 15,000 and 20,000. The Hydro-Electric Light and Power Company had been organized only a short time. It was the result of a merger between two electric utilities which had been competing for business in the community. This competition had caused a savage rate war, with rates insufficient properly to maintain the properties. The merger was accomplished in order to save the life of the utilities. Here, then, was a practically fluid situation, where an abrupt break with the past was absolutely necessary, and a radical readjustment of the rate basis would consequently have a fair chance of success.

SUCCESS OF PLAN

It is too early yet to pronounce with finality upon the success of this experiment. However it can be stated with certainty, that so far it appears to be an unqualified success. By this system, the interests of the consumers and of the utility are made identical. Every economy, every increase in efficiency, redounds equally to the benefit of both. It is essentially a "service at cost" plan, with the added advantage over other such plans, that a great incentive is supplied for the reduction of the cost.

These theoretical advantages of the plan seem to have been measurably realized in practice. In its order of June 2, 1919, the commission found occasion to commend the company very highly for a number of economies effected during the year. Other economies are proposed, among them a more efficient method of handling coal by machinery. The year's operations have resulted in a surplus over the 6.5 per cent return of $9,136.25, or 1.8 per cent of the value of the property. These circumstances have made possible the first application of the plan, by reducing rates approximately 10 per cent and increasing the rate of return allowed to 7 per cent. The surplus goes into an Excess Earnings Fund, which will be available in case rates fixed in this revision fail to earn the contemplated 7 per cent return.

It will be extremely interesting to see whether another application of the principle will be possible within the next year or two. The rates now enjoyed by Connersville are very favorable as compared with those of like communities. Another application of the "sliding scale" relationship will give Connersville a distinct preferential advantage. And both the utility and the community will benefit by this

application, if the results of operation under the new rates will warrant it.

THEORY AND PRACTISE

Practically, of course, the success of the plan depends very largely upon two things:

(1) The adequacy of the first schedule of rates to earn the contemplated rate of return.

(2) The ratio of the percentage of decrease or increase in rates, to the percentage of increase or decrease of rate of return.

These are practical details which in no wise affect the principle, but must be worked out in order to give it effect. The first is comparatively easy, for it is what commissions constantly do. The rates are more likely to yield more than the specified return than less, as witness the Connersville situation itself, because of the incentive to economize in order to increase the rate of return to which the utility is entitled.

The second can be ascertained only by experiment. If the ratio is too great, the system will not work well, for there will be violent oscillations of the pendulum, without any possibility that it will come to a rest. If the ratio is too small, any adjustment will be by such small degrees and will be extended over such a period of time, that before one maladjustment has been disposed of, another will be created. Consequently, if the ratio is incorrect, the system will constantly be out of adjustment. The commission has already modified this ratio in its recent order and instead of the ratio of 10 per cent to .5 per cent provided in its original order, has provided a ratio of 8 per cent to .5 per cent. The next year's operation under the new Connersville rates will furnish the first experimental basis for passing on this ratio, because for the first time the "sliding scale" relationship has been given effect. The original order, of course, did not give it effect, but merely provided that it should be given effect under certain circumstances.

IMPORTANCE OF THE EXPERIMENT

The Connersville plan will be watched by commissions and public officials all over the country with much interest, in the hope that it will afford a solution to a perplexing problem. Somehow or other, the incentive to efficiency and economy must be supplied. It is to be feared that the present system of commission regulation does not supply it sufficiently. If commissions can devise some scheme for accomplishing this purpose, which, while automatic, will have the added advantage of their expert supervision, they will have made a great contribution to the development of a real science of public utility regulation.

The "sliding scale" system has been applied in Boston to the gas utility, and in Cleveland and Cincinnati in part to street railway utilities. So far as known, this is its first application to an electric utility. The Public Service Commission of Indiana plans to apply it to other utilities at the first favorable opportunity, should the system prove successful.

LETTING CITY-MANAGER CHARTERS GROW

LENT D. UPSON
Director, Detroit Bureau of Governmental Research, Inc.

Most public spirited citizens believe that the principal means to good city government is a new charter. A city-manager charter is rightfully preferred because to an effective organization it adds the easy possibility of securing efficient officials, modern business methods, and an intelligent citizenship.

To justify this faith, city-manager charters must grow,—building on the experience of early experiments and incorporating the expanding ideals of city government.

Does the present fund of experience indicate that important changes in present charters are warranted?

THE LEGISLATIVE BODY

If results point to a serious weakness in the present city-manager plan, it is in the method of electing a council at large. Two reasons are advanced for the partial failure of this plan. First, prominent business men, inveigled into becoming candidates in "at large" elections, do not always make the best members of a city council. They are honest and usually above playing cheap politics, but frequently are too busy to give proper attention to their jobs, or do not have a natural aptitude for public affairs.

Second, elections at large frequently leave slightly less than half the voters of a community unrepresented. A typical example comes from Dayton. In 1917 the non-partisan ticket polled approximately 17,000 votes against 14,000 votes polled for all other groups, and non-partisans filled all vacancies in the city council. This left almost 45 per cent of the citizens of Dayton without representation,—and robbed the majority of the moderating and stimulating influence of a critical and active minority.

Some communities have turned to proportional representation as a solution for these difficulties. The experiments are too recent to be conclusive, but the councils chosen under this plan have certainly been representative. This very representativeness has been the single source of criticism by those not accustomed to counseling with the minority. In Ashtabula, a foreign saloon keeper of an unlovely type defeated a candidate of some character for a place in the council. But even the enemies of proportional representation conceded that this saloon keeper more nearly represented a section of the city's population than did his competitor, and the present council is admittedly a cross-section of the community's social and economic life.

The situation is repeated in Kalamazoo. Following the election, the "better element" was disgusted to find the socialist publisher of a gibing, irritating journal chosen to sit with exemplary citizens in formulating the community's political and social policies. Not a nice situation to be sure, but perhaps this man's radical and innovating counsel, and the necessity that he assume responsibility for a share in legislative action, is more to be desired than that he be made to stand

outside, reasoning without facts, blaming without cause, criticising without responsibility, and breeding discontent with a dangerous fecundity.

Further experimentation will indicate whether minority representatives will work with the city manager rather than merely being obstructionists, and whether there will be a moderation of minority demands on account of shared responsibilities, and a resulting popularization of the government.

DEPARTMENTAL ORGANIZATION

Following early precedents many cities centralized all city activities within five or six administrative groups,—law, finance, welfare, works, safety, and sometimes utilities. Yet natural as these divisions may seem they do not always lend themselves to most effective administration. The principal purpose of departmental organization is to keep the manager in contact with the activities for which he is responsible. If there are too many departments the manager is lost in detail. If there are too few departments the administrators of important activities cannot reach the manager first hand. For example, the health activities of a city are too important to receive other than first hand consideration by the manager, and there is an unnecessary handicap when the health officer must bring the health needs of a community to the city manager through a welfare or other director.

Similarly police and fire departments are centralized although they have little in common except a uniform.

Where an outside audit is made there is probably no fundamental error in centralizing accounting, purchasing, and assessing if any economy results.

There appears also to be small justification for throwing a hodge-podge of activities having to do with the city's streets under a single head and calling it a department of public works. Designing, constructing, and repairing buildings, streets, sewers, etc., are a common activity. But why combine them with cleaning streets, and the collecting and disposal of garbage and refuse, which are essentially different activities? Occasionally, the management of the waterworks and lighting plant are added to the public works duties. However, this inconsistency is generally recognized, and a trained administrator for each utility is permitted to report directly to the chief executive of the city.

City functions logically and practically group themselves into between nine and twelve divisions, all of which are sufficiently important to report directly to the manager. Nor is this number so many as to prevent the manager's constant attention. Naturally, the number of independent departments would be contracted or expanded in proportion to the size of the municipality.

AN ASSISTANT MANAGER

Several years ago some one suggested that the "mayor and council" government would be improved by the permanent employment of a technical assistant to the mayor. The mayor would continue to be more than the gastronomic head of the city government, entertaining public guests and functioning at corner stone layings,—he would determine policies, win or lose public support for them, and be generally responsible in the eyes of the people for the conduct of the government. But behind him would be this administrative assistant, through one administration and into another, collecting, correlating, ana-

lyzing, and interpreting facts for his superiors, forming an intelligent acquaintance with administrative details and subordinate administrators. He would be the permanent assistant mayor.

In the actual practice every city manager has a similar assistant. Some departmental head is consulted with more liberality than others, takes the manager's desk in his absence, and plays at times in an assistant's rôle. But if the idea of a few centralized departments is given up for a larger number of independent departments, the need for a permanent assistant is great.

The advantages of an assistant manager are many,—he could supplement the training of the manager, bringing experience and thought in welfare, finance, or safety, if the manager were trained in engineering, and visa versa; he would permit of someone in the manager's office constantly to perform the difficult task of keeping in touch with the public; he would permit of a chief executive always being in charge, vacations and sick leave notwithstanding; and finally there would always be a man in training for that particular managership in case of a vacancy, or to meet the needs of other communities. The idea has not been thoroughly tried out so no one knows whether it is good or not. The suggestion is passed on to city-manager cities, where it seems most applicable.

CENTRALIZED AUTHORITY

It is a potent argument that the success of the city-manager plan has come from centralization of authority. In place of numerous "checks and balances" and divided authority, there is finally some one who can say "come, and he cometh; go, and he goeth." Departmental activities are correlated; duplications eliminated, and there is action where action was not before. Early city-manager charters provided that the legislative body should choose no administrative officers except the city manager, the civil service commission, and the city clerk, this latter being properly an officer of the commission. This good example of centralization was short lived and later charters reserved to the legislative body the right to appoint a number of officers,—notably the solicitor, auditor, treasurer, and purchasing agent. Such division of authority can only defeat the ends for which a city manager is provided.

The theory underlying such legislative appointments is to secure a check on the actions of the manager. Naturally the first office where such control might be exercised is that of the attorney. He must interpret the law to the manager, and charter commissions argue that such interpretations should be free from any bias which might come through the attorney being a creature of the manager. Such arguments overlook the fact that only through liberal interpretations can city governments really be effective, and if there is any decided tendency to override the law, some energetic taxpayer will be at hand with an injunction. And what is of more importance, charter commissions forget that interpreting statutes is only a small part of the attorney's duty. By far his greatest activities are concerned with ordinance drafting, defending actions against the corporation, and bringing actions in the name of the corporation. In these capacities it is essential that he be subordinate to the orders of the manager.

The second office in which a check against the manager may lie is that of the auditor. In a larger sense the

manager through subordinates incurs liabilities and liquidates them. It is argued that surely these actions should be supervised by an auditor, a servant of the commission, who will report any derelictions to his employer. If the ordinary city auditor's functions were solely auditing he might well exercise them with independence,—but they are not. In addition to passing vouchers and payrolls, he usually is responsible for the establishment and maintenance of the entire accounting system of the city,—for the task of borrowing large sums on the credit of the city, controlling large assets and liabilities, supervising job and unit cost accounts, and in general functioning primarily as a controller with auditing duties as a minor rôle. The manager is interested in and should control these activities, because they are the fact-producing machinery by which he guides his own administrative acts, and interprets them to the public. Further, the auditor, through his familiarity with the financial and physical condition of the city, usually is of inestimable value in the preparation of the budget, and in such capacity can best serve as the agent and not the equal of the manager.

Perhaps the happiest solution to this situation is to permit the manager to appoint a controller, the commission providing as a check an independent outside audit of his acts. This audit would be after the fact, but is sufficient. Such outside audits are expensive, but not infrequently justify themselves by suggesting improvements in accounting methods which would not otherwise be secured.

The office of the treasurer is naturally considered as independent, although its importance is frequently over-emphasized. His duties are to receive, have custody of, and disburse public funds. There is a mistaken idea that this office is in some way a check on disbursements. In truth, the treasurer's duties are purely perfunctory, any discretion as to the drawing of warrants being exercised by the auditor.

CIVIL SERVICE REFORM

The question is often raised as to whether there is any need of civil service regulations under non-partisan city-manager government. Not a few managers, remembering certain difficulties in getting rid of undesirable employes, would say no. If the manager is hired for his ability to get things done, why should he be hampered by civil service in selecting able assistants, and in dismissing incompetents? Because public business is not private business. In private business a manager can employ whom he pleases. In public business every citizen has an equal right to public employment, and ability should be the determining factor in securing that employment. Further, once employed, a citizen has a right to continue so long as he is competent, and not be subject to the personal prejudices of a manager.

Too, the manager is frequently a stranger to the city employing him, and is unfamiliar with the ability at his disposal. Such ability can only be located and made available through the merit system.

For his own protection a manager needs civil service restrictions. Non-partisanship is a nice mouth-filling phrase, but non-partisans like public offices just as much as partisans, and experience indicates that non-partisan councilmen will be "pulling the wires" to see that their acquaintances have public preferment. It would be a

brave manager, indeed, who would accept office knowing he had to run the gauntlet of pressure from councilmen, ex-charter commissioners, friends of the new city charter, and friends of friends, whenever he made an appointment. Civil service reform does not inevitably secure exactly the man wanted, but it is a mighty handy protector when appointments are to be made.

Then again, a civil service board is something more than a machine for hiring public employes. It should be a clearing house for efficiency records, a check on pay rolls, and an instrument for increasing departmental efficiency, as well as a sieve through which candidates are sifted. Sometimes, even often, civil service commissions are the court of last resort where dismissals from service are tried. Perhaps this function is really the nub of objection to civil service. No city manager wants to go through more than one trial resulting from a dismissal, with lawyers, and witnesses examinations and cross-examinations, followed by a reinstatement, — because "inefficiency" is a charge difficult to sustain. Perhaps if the manager in dismissing an employe were required only to prepare a bill of divorce stating the charges, and were to allow a public hearing before the complaining officer, civil service would be improved, and be popularized in executive circles.

ADMINISTRATIVE PROCEDURE

Re the inclusion of administrative procedure in charters, there has been little uniformity among charter framers as to what should be included and six years' experience has seen little development. Every charter commission has been confronted with these alternatives: Shall the charter be simply a document of fundamental laws, leaving the administrative methods to be determined by ordinances, or shall all administrative procedure be included? A compromise usually results. The assessment and collection of general taxes and special assessments, budget making, and the procedure for issuing bonds, are usually given in great detail. Accounting, purchasing, building regulation, civil service rules, etc., are more frequently left for later amplification by ordinance. And these amplifications are only occasionally made. A most substantial service will have been accomplished when these procedures have been carefully prepared as an administrative code and made available to cities for enactment as ordinances. This would eliminate the necessity of including even a part of this material in such permanent form as a charter. Perhaps this task might be undertaken by a group of the managers themselves, or by appropriate committees of the National Municipal League.

THE NATIONAL BUDGET—ANOTHER ANGLE

To the Editors of the National Municipal Review:

Dear Sirs: Respect for your service in the cause of the national budget by securing comments upon it by technical authorities and an appreciation of the importance of your constituency leads me to answer some of the more important suggestions in regard to the changes in the bill made by your correspondents.

It is significant that the general comment is so very favorable and that all the writers are willing to support the bill. This is a good omen; for the most dangerous weapon of the opposition to budget legislation at present would be a great variety of different budget bills and different opinions as to budgets pressed upon congress, resulting in the excuse for inaction that the friends of the reform themselves could not agree on what should be done. The friends of the Good bill agree that it is only a first step; but they also believe that it is the first step on the right road, and that its operation will compel a development which, guided by experience and criticism, will eventually give to this country a budget system suited to its political and governmental system.

The two principal objections in the comment in your August issue are first, that the secretary of the treasury should prepare the budget; and, secondly, in regard to the office of the comptroller-general. Mr. Lill believes that the secretary of the treasury should prepare the budget, and there is much to be said theoretically for the position that the secretary as the chief financial officer of the government should be in the best position to do the work. Practically, however, the secretary of the treasury is at present the head of one of the largest spending departments of the government. The war risk insurance and the bureau of internal revenue alone contain upwards of thirty thousand employees, and these are only part of the functions of the treasury. It is unlikely that the tax functions of the government will be taken from the treasury, so that it will always remain a large executive department, particularly in view of the tendency to rest upon the tax powers such police measures as the abolition of poisonous phosphorous matches and child labor. An attempt to now divest the treasury of all of its non-financial bureaus and to distribute them among the other departments would start disputes as to where each bureau should go, which would inevitably greatly delay budget legislation. So long as the treasury is not a supervising financial department, it would be impossible to give it the power to revise the estimates of the other departments, since it would inevitably be led to favor its own huge spending departments as against the other departments.

To any one familiar with the inter-departmental jealousy in Washington and with the great difficulty of getting any kind of friendly co-operation, it will evidently be very much easier for an independent body in the President's own executive office to collect the information necessary for budget formulation and to cut down the estimates in each bureau of the several departments than it would be for a new organ in the treasury department. For a new organ must be created in any case; and the problem is not to effect a saving by using an existing institution in the treasury, but whether the new organization shall be created as an arm of the President directly, or as a means of securing a control by the secretary of the treasury over the other departments.

When one of the principal functions of the budget commission is taken into consideration, the function of assuring economy and efficiency and with the object of discovering means of improving administration in the departments, the importance of an independent commission is evident. It is only by the President that its recommendations can be carried into effect, for he alone has authority over and responsibility for the administration; and it is of the greatest importance that the recommendations of the budget staff should be made directly to the President, not through the medium of a secretary of the treasury immersed in other matters and certain to be under the suspicion, at least, of favoring recommendations which reduce the expense of other departments rather than those which will interfere with the routine of his own. If efficient administrative reform is ever to be accomplished in the departments of the federal

government, the reform must come through the initiative of the President and an effective budget staff, working to reduce the cost of government in proportion to the results obtained, so that the President and his party may get the credit of administrative reform and economy, is a permanent and practical means of accomplishing this result.

The commission must have the power of investigation. The departments will submit their estimates asking for increases for clerical and other forces; and, if the President is to intelligently assume the responsibility for the expense incurred, he must have a means of intelligently investigating the reasons for the estimates submitted, especially for the increases. If he must depend without investigation upon the estimate of the department, his personal responsibility for the budget and his personal interest in administrative improvement will become a myth.

There are other very interesting criticisms on the provision for a comptroller and auditor-general. Mr. Miles's criticism is interesting and pertinent, but I believe will be met practically by the operations of the new independent bureau. At present there is a departmental audit in each department which will be continued, and should be continued, under the new system. The audit of the comptroller-general, once the office is properly organized, will be more that of a supervisor of the accounts as audited in each department than as an independent auditor. The knowledge that he has the power of closing and auditing the accounts of any department at any time will be sufficient to guard against possible carelessness, and the test audits that he will make from time to time will be sufficient to keep a standard in accountancy and method.

His functions as a comptroller-general, however, are almost necessarily involved in his position as the organ of congress to make certain that the money voted to the departments is spent by them for the objects for which it was voted. Even if he is given no specific power to stop payments from the treasury on the order of a department, the fact that the department must justify its expenditure as being in accordance with the law will be sufficient to compel them to ask for his opinion before spending money in cases where it is doubtful how far the authorization of congress goes. The comptroller and auditor-general is the advisor of the committee on audit of congress, and also of any other committee of congress having control over expenditures. If, therefore, he discovers that a certain department of the government is spending money for a different purpose than that for which it was voted and not according to the law covering expenditures, he will be in a position to make it extremely unpleasant, to say the least, for the spending officers when they come before the committees to explain their past operations and to ask for new appropriations. He will, by the force of his position, whatever be his legal power, be asked by the spending officers to pass on the meaning of appropriation laws where their meaning is uncertain; and his power will have the double sanction of his criticism of the account before congressional committees and that of the danger of a suit on the bond of a disbursing officer who spends money in a manner not authorized by law.

The Good bill will not in practice require that the representative of the legislature must scrutinize all claims before payment. Only in comparatively few cases, where the intention of congress or the law is *in doubt*, will there be any reason for his delaying the payment of claims. Here the suggestion of Mr. Lill that it will be well to study and codify the existing laws in regard to the comptroller is pertinent. This question was carefully considered at the time of the drafting of the bill and the necessity recognized. But it was felt that such a codification could be better done by the new congressional officer during his first years of service, when he would better understand the changes which should be made to render easier the work of his new office.

It is a very wise suggestion of Mr. Waite that we should get the national budget started "and then let its growth follow the natural lines." The budget staff and the independent audit, once in working order, will, with the aid of the criticism to which they should be continuously subjected by such magazines as the NATIONAL MUNICIPAL REVIEW, work out their own salvation.

Very sincerely yours,

J. P. CHAMBERLAIN.[1]

August 14, 1919.

[1] Chief, Legislative Drafting Research Bureau, Columbia University.

DEPARTMENT OF PUBLICATIONS

I. BOOK REVIEWS

DEMOCRACY IN RECONSTRUCTION. Edited by Frederick A. Cleveland and Joseph Schafer. Boston: Houghton Mifflin Company, 1919. 506 pp.

The purpose of the editors is to furnish a textbook for those who wish to have set forth succinctly the issues and principles involved in the building up of our governmental, social, and economic fabric as a post-war program. It is in the form of a symposium of chapters grouped under related heads, and prefaced by an introductory chapter by Dr. Schafer outlining the historical background of reconstruction in America.

The book is divided into six parts, under the heads of Ideals of Democracy, Institutions of Democracy, After-war Social Problems, After-war Labor Problems, After-war Transportation Problems, and After-war Political Problems. Under the first head are two chapters, one by Dr. Cleveland in which are discussed President Wilson's ideals of democracy, and one by W. W. Willoughby setting forth the underlying concepts of democracy.

Under the head of the institutions of democracy Carl Kelsey, Arthur J. Todd, Edward Carey Hayes, and W. F. Willoughby discuss respectively private property, the family, institutions for social betterment, and institutions for public service, in their relation to democracy.

The group of chapters on social problems embraces the subjects of health, welfare of children, education, thrift, and social insurance, the authorship including Esther Lovejoy, M.D., Mary Elizabeth Titzel, Samuel P. Capen, Charles R. Mann, Willis H. Carothers, and Samuel McCune Lindsay. On the subject of labor problems Harold G. Moulton contributes a chapter on the relation of demobilization to unemployment, and William F. Ogburn another on the relations of capital and labor.

The section on the reconstruction of our transportation system is perhaps the least satisfactory part of the book. One might expect here to find definite light on the vexing problems which the railroads present to America. Actually, however, there are presented only a non-committal introductory statement by the editors, a lengthy quotation from a statement by the interstate commerce commission, a chapter on the military motor transport by Dr. Cleveland, one on motorized highways by Robert C. Hargraves, and one on ocean commerce by William E. Lingelbach.

Political problems embraced in the final section of the book are treated in four chapters—the relations of the executive and legislative branches of the government, by Dr. Cleveland; the rights and duties of minorities, by Chester Collins Maxey; the commonwealth conference, by Frederic G. Young, who devised the plan bearing this name; and the evolution of democracy, by Charles A. Beard.

For the most part the discussions in this book are comparatively elementary, being designed to give a general point of view rather than to provide material for the advanced student of public questions.

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EXPERTS IN CITY GOVERNMENT. By Edward A. Fitzpatrick. New York: D. Appleton & Co., 1919. 363 pp. (National Municipal League Series.)

If he does nothing more than stimulate in some additional, and in others new, interest in the crying need for technical and practical training for public service, Dr. E. A. Fitzpatrick will himself have rendered a distinct public service by his compilation and editing of the twenty or more splendid articles brought together under the title "Experts in City Government."

After listening to such a "cloud of witnesses" one might well exclaim "what more shall we say" to prove as a fundamental need of efficient city government, that men shall submit themselves to training, colleges and universities shall alter their courses from the theoretical to the practical, bureaus of municipal research shall be increased and made more truly citizen organizations for letting in the light, civil service shall become an attractive career, and positions in the city government shall themselves become

training centers for understudies to expert administrators.

Dr. Fitzpatrick has clearly set forth the thesis of his book in the following quotations from his preface:

" . . . the problem of urban welfare is essentially a matter of administration" . . . "Expert city government, government administered by trained men, is the much needed agency to transform the city into an active, positive and constructive instrument of public welfare" . . . "Democracy needs the best machinery that can be found, the best tools that can be discovered; and the best tool that the world has ever yet produced is a highly trained human brain."

From the thesis in the preface to the program of city government in the final chapter, Dr. Fitzpatrick and his co-authors carry one through a series of instructive chapters covering, first, the problem itself, the need for experts because of inadequacy of the present city government, the wider range of municipal activities, as well as the broader view of the citizen in what he expects from the city government; second, listing many cases of the use of experts in city government; third, citing agencies that have risen up in the last dozen years whose purpose is to train experts in city government as well as to cooperate with the government; fourth, showing the great need for interpreting, through proper publicity, reports and all legitimate devices, expert government to the citizenship; fifth, raising the hope of making the public service more attractive by a higher standard of civil service; sixth, laying out definite plans for training schools for public service and leading up finally to the logical result, namely, a system of government that will unite power and responsibility with efficiency in accomplishment of results through use of expert trained service responsible to an enlightened and critically cooperative citizenship.

We may not all agree with all of the following program for responsible government offered by Dr. Beard in the concluding chapter of this book, which calls for—

A system of government which, to reconcile democracy and expert administration must provide for the following institutions and processes:

An executive department so organized that responsibility may be located in a group of officers.

All the institutions and divisions grouped under the direction of these officers and controlled by a work program and a budget system that will require records of work performed and costs by units of performance.

A permanent civil service and a system of permanent undersecretaries to sustain continuity of policy.

The executive branch held responsible for preparing the budget and subjected to open and above-board legislative scrutiny.

Effective use of the opposition as an agency of critical control and provision for assumption of responsibility by those who criticize and overturn the administration.

Provision for submitting to the electorate for final decision all fundamental issues raised and formulated by those defending and those attacking a particular administration.

The program quoted above should prove a temptation to charter writers, expecially for the "big" cities which seem to shy at a "city manager." However, we shall certainly agree that given such a program, efficient administration is impossible without the guiding hand of highly trained administrators.

Citizens interested in better municipal administration, municipal research men, teachers of political science and city officials will do well to ponder carefully the problems discussed in Dr. Fitzpatrick's book. We can all agree with him that "Citizen co-operation with government will make it a success. Citizen indifference will make it permanently impossible." And fundamentally that is the problem of expert city government.

F. L. Olson.[1]

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Town Improvement. By Frederick Noble Evans. New York: D. Appleton Company, 1919. 261 pp.

Professor Evans disclaims any intention of making this a book on city planning, or more than an introduction to city planning. He has rather endeavored, first, to show how towns and cities grow up, with a view to discovering what there is in this process that indicates lines of physical improvement compatible with future development; and, second, to describe the elements and methods of making more useful or beautiful the physical factors of a town or city, on which the health, comfort, and safety of its citizens so largely depend.

The early chapters of the book discuss historically the trend of rural and urban population, the growing importance of the latter, the value of early attention to town improvement, the relation of such factors as commerce, and political

[1] Director, Bureau of Municipal Research, Minneapolis Civic and Commerce Association.

and social forces, and the modern town plan in general. Various types of street systems are then described, and their merits compared. Closely connected with this subject are chapters on traffic circulation, in which the needs of modern street transportation are analyzed, and on the relation of the railroad, with its approach, tracks, stations, and yards. Likewise there are related chapters on the water front and on parks and other public open spaces; practical suggestions are made for the prevalent unsightliness of water courses, and for the development of a park system comprehending public squares, minor open spaces, and landscape parks.

Particularly valuable are Professor Evans' chapters on schools and school grounds, playgrounds, and neighborhood centers. Their substance is not distinctly new, but is presented in a manner which is of real worth to towns and small cities seeking to utilize the practical worth of efficient, safe school buildings; of adequate recreational facilities for children; and of fully developed community centers.

A further group of subjects treated includes water supply and its sources; sewage disposal; air and light; food supply; disposal of minor wastes; and health, police, and fire protection. In this study Professor Evans gives an elementary understanding of the factors involved and of the means at hand for solving these problems to the best purpose.

In all of this, as well as in the chapters on civic art, street equipment, street trees and other planting, housing, and the home grounds, Professor Evans has confined his attention to the physical side of town improvement, intending the book for those who have already developed a civic spirit and need fundamental guidance in making plans for the actual expression of this spirit. He has also included chapters on financing town improvement, and the organization of civic spirit that are of great value. The book thus serves admirably as a guide to those who want practical help in agitating or crystallizing local movements for making their towns more useful, comfortable, and beautiful.

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UNITED RAILWAY CO.'S REFERENDUM BURGLARY. By Julius C. Jackson. St. Louis: Published by the author, 1919.

This is a red covered book of 170 pages, written to tell of the stealing of referendum petitions from a safe in the office of the Cigar Maker's union, St. Louis, by the aid of hired safe experts. The story of this burglary is more familiar to the reading public than the intrigue and double intrigue, the "crossing" and the "double crossing" graphically and frankly related by the author before the burglary story is reached.

The author was a secret service man, or special agent, of the United railway company, of St. Louis, for twelve years. His service culminated in the burglary above referred to, which he planned but did not execute. He used money supplied by the company to employ men necessary to do the job. The highest officials of the company insisted that the petitions should not be filed. They instructed their "agent," Jackson, to stop at nothing in order to prevent the filing, as that would lead to a referendum election on a franchise that had been granted to the company by the board of aldermen. Jackson was in close touch with these officers, with whom he intimately discussed plans; and after the burglary the petitions were delivered to Jackson and he delivered them to one of these high officers who burned them. Jackson turned state's evidence because these high officers tried to shield themselves by sacrificing Jackson.

The referendum story is not reached until page 111; so the major portion of the book is given to the experiences of a secret service man of "big business." The reviewer does not read detective stories; but he does not understand how a fictitious detective story could be more interesting than this book. It reveals an entire lack of frankness and consideration in dealing with labor, and a dependence on corruption to gain ends.

All these things, together with the fact that the municipal water system of St. Louis is conducted without intrigue and corruption, and with economy, point to the desirability and the probability of the extension of public ownership in St. Louis. Also the referendum burglary graphically described in this book is the strongest possible argument that the referendum should have a place in every municipal charter.

C. F. T.

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WAR BORROWING. By Jacob H. Hollander, Ph.D., Professor of Political Economy in the Johns Hopkins University. New York: Macmillan Company. Pp. 211. $1.50.

Who suspects that the Liberty bonds are an important, if not the chief factor in our high cost of living, which still mounts though the fighting

was stopped nine months ago, and peace was made with Germany a couple of months ago?

This little book gives a review of war borrowing in our past wars, and then takes up the details of war borrowing in this war; with its effects on the U. S. Treasury, the money market and the price level.

The utility of the large purchases of treasury certificates by banks in advance of the enormous flotation of bonds to the public, and of the Federal Reserve Bank system in these tremendous financial operations is made plain, and a suggestion is made for possible improvement in the process. But the outstanding fact of practical interest to all is how the Liberties have led to enormous expansion of bank credit, which is equivalent to inflation of the currency, and is a chief cause of our high prices. Our currency is not debased, as is the currency of most of the European countries, but expansion leads to high prices none-the-less.

CO-OPERATION AND THE FUTURE OF INDUSTRY. By Leonard S. Woolf. New York: The Macmillan Company, 1919. Pp. 141.

In this book the author traces the movement referred to as "industrial representation" or "the democratization of industry" to the days of Robert Owen and the origin of the English co-operative movement. He shows that Owen's plan embraced a civic, social and economic program whereby each individual was to participate in the management of industry as well as in the government of the community. The co-operative movement of modern times, he says, "has lost . . . the particular theories and ideas which it took in 1844 from the system of Robert Owen, but there has always existed within the movement a body of men and women who have held that the ultimate object of the co-operative system is not the every-day buying and selling in the store, but the working out through that system of a better condition of society."

Indications that the solution of the problem presented by modern social and industrial unrest may be arrived at through co-operative action are plentiful according to Mr. Woolf. As an example he cites the Desborough co-operative society, which has a membership of 1,600 out of a total population of 4,500—practically all the heads of families—and which not only carries on the ordinary retail business, but is "lord of the manor and proprietor of the site of Desborough," and runs its own farm from which it supplies its members with milk, meat, poultry, fruit and vegetables. But actual industrial democracy has proved difficult of realization because of the sharp practices of capitalistic competition. With the rapid growth of the movement, however (the co-operative societies claiming in 1915 to supply about one third of the whole population of England, and doing a business estimated at $530,000,000), the necessity for a solution of the problem became imperative. As there were more co-operators than employees in co-operative stores, the control of the movement could not be in the hands of the workers, and although (according to Mr. Woolf) the working conditions and wages averaged better than in private business, nevertheless industrial democracy was far from being realized.

The habitual conservatism of co-operators was at last broken down under the stress of war-time conditions. As a result a scheme for the establishment of conciliation boards has recently been approved both by the Amalgamated Union of Co-operative Employees and by the Co-operative Union. These boards are composed of an equal number of representatives from societies' committees on the one hand, and of co-operative employees on the other, and they pass upon questions relating to wages, hours, and general working conditions. The scheme in its entirety involves local conferences between union and management representatives, appeal to district conciliation boards, and final appeal to a national conciliation board. This plan Mr. Woolf hails as "a remarkable advance in industrial organization" and as a sufficient justification for the claim that co-operation is the only system which has actually succeeded in applying the principles of democracy on a large scale to industry. From the foregoing it is further argued that co-operation affords the only right basis for industrial production—namely, production democratically controlled and carried on, not for the profit of the few, but for the use of the whole community—and he sketches lightly the vision of the co-operative commonwealth of the future, the realization of which will mean the downfall of the capitalistic régime and fair play at last for the worker.

American readers doubtless will find much that is surprising in the ideas and theories advanced by this book, with many of which they probably will not find themselves in sympathy. From the start the author makes no attempt to

veil his antagonism to "capitalism" and he shows ignorance at several points of the subject matter under discussion. His arguments to the effect that "industrial production today is an unpleasant necessity," and that the "red-tape" of government officials foredooms the success of public ownership, are, to say the least, superficial. However, notwithstanding such defects, the book contains much information not generally available in this country and the author's reasoning at times is cogent.

DORSEY W. HYDE, JR.

II. REVIEW OF REPORTS

Condemnation Proceedings in Great Britain.—In July, 1917, the Right Hon. David Lloyd George appointed a land acquisition and valuation committee to report defects in the existing system of dealing with such matters in Great Britain and to recommend desirable changes in the public interest. That committee submitted two reports—one in January and the other in November, 1918. These reports[1] are now before us.

The first report summarized the needs for extending powers of compulsory acquisition, the British euphemism for condemnation, pointed out the slowness and costliness of present methods and indicated how they might be simplified. The most striking innovation suggested was the creation of a sanctioning authority to act as a court of appeals on all proposals, involving the taking of land for a public use. This sanctioning authority is to be appointed by a selection committee chosen from members of the House of Lords and the House of Commons, is to be reappointed annually and is to serve without pay. Its membership may be made up from the members of either house, and other suitable persons chosen with reference to their general experience of affairs.

The second report deals with specific amendments to the existing law, the powers to be conferred on the assessment tribunal, betterment, recoupment, injurious affection, and payment for property taken by rent charge or securities. Some of these terms will not be easily understood here. The assessment tribunal is a court of awards, recoupment covers questions dealing with excess condemnation, and injurious affection is known among us as consequential damage. This is a most interesting document to the student of British land valuation problems, but it contains little that directly concerns Americans, because land tenures here have never assumed the complexity that characterizes them in Great Britain. There the landholding classes have been so long supreme in both houses that one might be pardoned for believing that the main object of British statutory law was to maintain those classes in possession and control forever.

Under the head of "Betterment" the committee deals with the problem presented by cases where an owner, a part of whose land has been taken for public use receives by the action of the public authority a benefit to the land which remains in his hands. It is proposed that in such cases a valuation shall be made of the benefit which he receives and his award diminished by such amount. It even goes so far as to propose that where a promoter of public improvements is *a private person or corporation* and where such improvement benefits adjacent private property the value of such improvement shall be assessed and paid to the promoter to enable him to carry out his project. This proposal is clearly an extension of our policy of assessing benefited area for the cost of certain improvements. Its application to new railroad and trolley lines would raise some interesting questions. Under the head of recoupment, the committee deals with problems, which arise under what we call excess condemnation.

The recommendations of the committee seem on the whole progressive and reasonable, and they represent a wide departure from precedents governing the acquisition of land in Great Britain in the past. Instances are cited by the Committee of costs of land, acquired for public purposes, which make the worst of our land condemnation proceedings seem reasonable and modest. England has still a long road to travel in the readjustment of her land policy before she can house her homeless industrials or settle on her idle but valuable acres, the returning soldiers who saved the empire. J. J. M.

[1] The First and Second Reports of the Committee Dealing with the Law and Practice relating to the Acquisition and Valuation of Land for Public Purposes. London: Published by His Majesty's Stationery Office.

Cincinnati Better Housing League.[1]—Cincinnati has long had the unenviable reputation of housing a larger proportion of its population in tenement houses than does any other city west of the Alleghanies. The first report of the Cincinnati better housing league presents the basis for this reputation. It says "there are between twelve and fourteen thousand tenement houses. . . . These tenements (multiple dwellings) house about 40 per cent of our total population or nearly 130,000 people, which, according to the report of the U. S. Public Health Service is a greater proportion living in tenement houses than is found in any other of the large cities."

With such a proportion of multiple dwellings there is no occasion for surprise that Cincinnati has very great need for a better housing league and there need be no surprise if the League finds progress unusually slow and difficult. The first report is largely given over to a description of housing in the poorer parts of the city and to the league's program for securing improvement. The latter necessarily involves the backing of an informed public opinion, so the league lays stress upon the educational work it is doing through the press, the schools and its three visiting housekeepers. With the backing of public opinion it hopes to secure an adequate housing code which will set proper standards for new dwellings and will require the elimination of the worse features of unfit existing dwellings.

The necessity for an informed public opinion is indicated by the action of a lower court which recently issued an injunction restraining the building commissioner from vacating certain tenement properties which are in unfit condition—the case is now before the court of appeals—and by the lack of success which has attended the league's efforts to secure the employment of more city inspectors—"the housing bureau has now only four inspectors to supervise between twelve and fourteen thousand tenement houses."

This report shows Cincinnati at the beginning of its task. It has some accomplishments to record, 300 ramshackle buildings demolished annually, 2,996 privy vaults abolished during the past two years—a really notable achievement considering that those were war years—leaving only 489 where sewer connection is practicable. The league itself has made some valuable studies and has engaged in several enterprises connected with war work that proved abortive because of the sudden ending of the war.

The impression left by the report is that the way has now been cleared for action and that the next report will show definite progress made.

J. I.

[1] Houses or Homes; First Report of the Cincinnati Better Housing League. June, 1919. Pf., 32 pp. Illustrated.

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Fifth Year Book of the City Managers' Association.—This publication is full of information of positive value to every one interested in any way in the city manager or commission-manager form of government. It is in effect a history of the movement as well as a reference book on all phases of the subject. The first part of the book contains "achievement reports" of city-manager municipalities under war-time conditions. These reports are given city by city, each prefaced with data as to the city population, date when city-manager plan became effective, name of manager, date of appointment, and salary. Collectively the reports show an encouraging record of economies, improvements, and efficiencies under this form of administration.

The proceedings of the 1918 convention of the association, incorporated in the year book, include the address of Clinton Rogers Woodruff, secretary of the National Municipal League, on "The Model City Charter," and that of C. G. Hoag, secretary of the American Proportional Representation League, on "Proportional Representation," as well as the discussions of many important phases of the city manager question. There is also much tabulated information bearing on the progress and success of the city-manager movement.

R. R.

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Seventeenth Annual Report of the Juvenile Protective Association of Chicago.—This report, covering the period of the first year of America's participation in the war, is of value as a basis for comparison with the experience of European countries as to the influence of the war on juvenile delinquency. It was found in England, France and Germany, and probably in other countries as well, that juvenile delinquency materially increased during the early years of the war, due to the closing of schools, the increased use of children in industry, and the lessening of parental restriction. These facts

being known when the United States entered the war, definite efforts were made to prevent the same experience here. Such evidence as has been gathered, however, tends to establish the fact that these efforts have not been altogether successful. In Chicago, this report shows juvenile delinquency increased 29 per cent during the year ending November 1, 1918.

The report contains the year's record of the many excellent activities of the association.

During the 18 years of its experience, the Juvenile Protective association has received so many complaints concerning junk dealers as contributors to juvenile delinquency of both boys and girls that it determined upon a study of the problem. The results of this investigation are contained in a pamphlet issued separately from the annual report. Both the investigation of conditions in Chicago, and the data secured from other cities, establish the fact that it is virtually a universal practice for junk dealers to buy junk from children, despite prohibitory ordinances regulating the junk business; that most of the junk sold by children is stolen; that junk collecting by children involves many pernicious features besides theft; and that the money received by children is for the most part spent in low-grade motion picture theatres and for other cheap luxuries of a questionable kind. The sources from which children steal junk material include alleys, vacant houses, wagons, factories, and railroad cars and yards. The more common kinds of junk gathered were rags, bottles, iron, brass, lead pipe, copper wire, coal, and automobile tires. The fact was also established that many dealers urge boys to steal and sell them the loot, and that in certain instances the dealers even provide the tools with which the boys are expected to cut out lead pipe from empty houses.

Juvenile court judges, probation officers, policemen, and other social workers throughout the country reported that conditions in their own cities were similar to those obtaining in Chicago, and that the junk business constitutes a most prolific cause of juvenile crime.

Census of Electric Fire-Alarm and Police-Patrol Signalling Systems and of Fire Losses.—A report just issued by the federal census bureau shows a total of 1,712 municipal electric fire-alarm and police-patrol signalling systems in use in 1917, an increase of 48 per cent in ten years. These systems embody 107,058 miles of single wire, of which 55,937 are overhead and 51,721 underground. It is significant that the increase in overhead wires in ten years is 30.7 per cent, while that in underground wires for the same period is 84.6 per cent. It is encouraging to find this recognition of the advantage of underground wires, as there is the gravest necessity for protecting the wires of alarm systems from the danger of injury by storms and climatic conditions.

Owing to the constant increase in population in most cities it is only natural that the number of fire alarms and the assessed valuation of property should increase; but it seems incredible, as the reports shows, that approximately 60 per cent of the cities should show an increase in property destroyed, inasmuch as old buildings in most of our large cities are being replaced by modern fireproof structures and every effort is made to reduce fire losses.

In 1917 the per capita loss for Kansas City, Kansas, was $11.13, which was the highest for the year. Lexington, Kentucky, and Lynchburg, Virginia, were next, with losses per capita of $11.04 and $10.42, respectively. For the year 1912 the per capita loss for Houston, Texas, was $51.14, while for Canton, Ohio, and Sioux City, Iowa, which had large fires during the year, the loss per capita was $36.94 for the former city and $12.69 for the latter.

Of the 25 largest cities for which comparative data as to the property loss by fire are available, 15 show a larger loss per capita for 1917 than in 1912. In 7 of these cities the fire loss was less than $2 per capita in 1917; in 12 cities it was from $2 to $3; in 2 cities, from $3 to $4; and in 4 cities, over $4. The property loss by fire for these cities ranges from $0.56 per capita for Washington, D. C., to $5.27 for Boston, Massachusetts. For these cities the assessed valuation aggregated $23,459,031,610 for 1917, as compared with $20,125,294,393 for 1912, an increase of $3,333,737,217, or 16.6 per cent; and the aggregate property loss by fire was $48,695,678 in 1917, as compared with $41,588,009 in 1912, an increase of $7,107,669, or 17.1 per cent.

NOTES AND EVENTS

I. GOVERNMENT AND ADMINISTRATION

Street Railway Situation and Fare Increases.—The St. Paul (Minnesota) association has taken occasion to gather data of street railway conditions in other cities for its own guidance in opposing the Warner bill providing for state commission regulation of the local street railway company. These data, as published by the association in a report on the subject, provide a very illuminating view of transit conditions in eighty leading American cities, including all cities, except one, of more than 200,000 population, and most cities of 100,000 or more.

Street car difficulties in America, the report points out, constitute one of the most serious of all municipal problems. To a large extent our street car companies have broken down. Several of the secretaries of chambers of commerce, more particularly in eastern cities, state that bad financial methods in the past have contributed to some extent at least to the present troublous situation. Replies received from several cities indicate that the street car companies have been and are excessively capitalized, that they have paid dividends which were not earned, that they have not adequately provided for renewals and depreciation, and that they have allowed their properties to deteriorate unduly.

The crisis, however, has clearly been produced everywhere by the war and war prices, which have hit the "deserving and undeserving alike," although companies with good rolling stock and efficient management have been able to stand the test better than the less efficiently financed and operated systems. In almost every city, however, the awards of the war labor board have made large increases in the pay roll which a fixed income was unprepared to meet. Not only labor, but every article used by street car companies has materially advanced in price. On the other hand the only companies to experience any substantial natural increase in income are those which have been located in cities which have had abnormal industrial development due to munitions factories, shipyards and other war establishments.

As a result of all this, company after company has become insolvent. The value of street railway securities has depreciated more than 50 per cent, and many of the leading systems of the country have gone into the hands of receivers. In fact, the widespread extent of receiverships and insolvency is astonishing. It is claimed that since 1917, 51 electric railways have gone into the hands of receivers.

Desperate efforts to overcome the conditions leading to this situation have in most instances taken the form of increased fares. In only 30 of the 80 cities covered in this report has the rate of fare remained unchanged. In the other 50 various increases have been made. In analyzing the variety of increases more elaborate data gathered by the American electric railway association are available. These cover increases of fares in 388 cities, as follows:

	No. of cities	Average population
Cities with 10c fare	6	11,293
Cities with 8c fare	19	75,009
Cities with 7c fare and 1c transfers	17	91,958
Cities with 7c fare	83	21,815
Cities with 6c fare	164	67,653
Cities abolishing reduced-rate tickets	52	53,839
Cities with 5c fare and additional charge for transfers	6	100,442
Cities with special zone fares	43	82,726
Cities with special time or ticket rates	2	139,425

(This tabulation includes four duplications)

Generally speaking, it appears that street car managers and officials expect that an increase in rates, except under most favorable circumstances, will lead to some falling off in patronage. Where the zone system of fares has been in use, the decrease has been even greater than the companies expected. It is, however, significant, that in many cases where modest increases in the rate of fare have been made, patronage has not fallen off and it probably should be regarded as especially significant that in Cincinnati, Cleveland and Youngstown, Ohio, with the cost-of-service franchise, the increases in fare have apparently been satisfactory both to the companies and to the public.

The zone system in use in Milwaukee and Pittsburgh, and in several New England cities, has proved far from satisfactory. It has not provided the increased revenue expected, and has presented almost insuperable difficulties in the collection of fares. There is therefore practically nothing to say in its support. On the other hand, even if it had served its purpose of increasing revenue sufficiently, it is open to the very serious objection that increasing the cost of transportation to the outlying districts of a city, as the zone system does, increases congestion in the central zones and is therefore questionable public policy.

Possibly the most satisfactory—or at least the most promising—method so far tried for the rehabilitation of transit systems is the cost-of-service franchise. The St. Paul association draws a distinction between the cost-of-service *principle* and the cost-of-service *franchise*. The cost-of-service *principle* is the basis of all intelligent and fair rate-making for all public utility services. It simply means that the service should be supplied to the public at its fair cost, including operating expenses, taxes, depreciation, etc., and return upon investment. Following this principle, we have had in America frequent adjustments of gas and electric rates. But we have been pretty well given over to an inflexible street car fare of 5 cents—endeavoring to prevent excess earnings by requiring improvements in service, etc. The cost-of-service franchise as applied to street cars embodies a flexible and automatically changing rate of fare, based on the actual cost of service. Its value is to be measured, perhaps, by the degree of its success, where it has been tried, rather than by the number of cities which have adopted it. It is claimed that fare increases under cost-of-service franchises are accepted more philosophically because of a feeling that they are justified by the data on which they are based and by the basis on which they are fixed.

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Minneapolis Considers "Cost-of-Service" Transit Franchise.—What is claimed to be the latest thought in public utilities control is contained in a lengthy ordinance prepared for the consideration of the citizens of Minneapolis. The ordinance proposes a new deal between the city and the Minneapolis street railway company whereby the company surrenders all present franchises and privileges, and is granted a new twenty-five-year franchise. Under this franchise the city retains sweeping powers over the company and in return provides for a "cost-of-service" passenger fare to be so adjusted periodically as to provide the company with an estimated return of seven per cent on a capital value inventoried at $24,000,000. A "stabilizing fund" of $250,000 is provided to cover deficiencies in gross receipts when the later are insufficient to meet the various charges specified in the ordinance. Surplus earnings, on the other hand, are added to the stabilizing fund. The fare charged by the company, starting at five cents, is subject to an increase or decrease of one cent every three months, the adjustment depending on the fluctuations in the stabilizing fund. The issuance of transfers is also provided for.

The company is further required to create an "amortization fund," into which is to be paid annually from operating expenses an amount equal to one-half of one per cent of the capital value, to wipe out of the capital account such items as are deemed to be of an intangible nature. A maintenance reserve fund is also provided to cover repairs, maintenance, renewals, and depreciation. The company undertakes to obtain new capital to meet the financial requirements of the proposed ordinance; and, in the event of its inability to do so, the city will provide the money upon the authorization of the state legislature.

The city is to have the right at all times to control the service, including the type of cars; fix and amend schedules; and control stops, routes, headway, speed, lighting, heating, and sanitary conditions. All purchases, contracts, agreements, and settlement of claims, are to be approved by the city. The company is also to submit an annual budget to the city for its approval, and, in addition, monthly reports and an annual audit, the company's books at all times to be open to the city's representative.

The city is to appoint a street railway supervisor as a technical advisor in all matters affecting the operation of the system. The supervisor is to report to the city council any condition of management which in his judgment calls for correction. The supervisor's salary and the expenses of his staff are to be paid by the city, which is to be reimbursed by the company, the reimbursement being charged to operating expenses.

On the labor side, the employes of the company are granted a 54-hour week, with a maximum of 10 hours per day. Reasonable compensation is

also guaranteed, and the company is required to deal with accredited committees of employes wishing to present any matter relative to wages, hours, or working conditions.

All disputed questions between the city and company are to be submitted to arbitration, but either party may appeal to the courts from the award of the arbitration board.

Finally the city reserves the right to purchase the company's property on January first of any year, upon one year's notice, provision being made for determining the value of the property. Or, on the other hand, the city may transfer to any other corporation empowered to operate street railways in Minneapolis, its power to purchase, in return for which it is to receive as a bonus from the purchase at least 10 per cent over and above the purchase price.

The voters of Minneapolis, under the terms of the ordinance, are to have the final voice in its approval in the event of its acceptance by both the city council and the street railway company.

Home Rule Wanted in Utility Rate-Fixing in Illinois.—The amendment to the public utilities act sponsored by the home rule municipal league of Illinois, transferring the regulation of rates and of local utilities from the state commission to the municipal authorities, was defeated at the last session of the legislature. This setback was brought about largely by the committees to which the amendment was referred in the senate and house. These committees, it is charged, were named in the interests of the corporations, with the result that the advocates of the bill were unable to secure favorable committee action, or to secure action of any kind until late in the session, when there was no possibility of getting the amendment through the two houses.

The demand for municipal control of public utilities has been revived partly on account of the state commission's delay in acting on complaints of cities, and partly by the increased rates allowed by the state commission—sometimes, as in Chicago, in the face of express conditions in local agreements. Some increase seems to have been justified, but it would be difficult to prove whether the state commission has been too liberal, and the legal issues will probably have to be fought out in the courts.

The home rule adherents are active in the campaign for the nomination of delegates to the constitutional convention, in an effort to secure the nomination of candidates who can be indorsed by the home rule municipal league. Some of the home rule advocates are working with other groups interested in the initiative and referendum and the North Dakota ideas of government ownership of elevators and other industries. There is thought to be some chance in the constitutional convention for municipal home rule charters, but it is of course too early to predict the outcome.

Street Railway System Offered to City of Merrill (Wisconsin) for One Dollar.—The Wisconsin Valley electric company, whose 30-year franchise for the operation of the street railway system of Merrill, Wisconsin, expires December 30, 1919, has offered to the city the property of the system—that is, tracks, trolleys, cars, tools, etc., but exclusive of real estate and power equipment—for the sum of one dollar. The company, in a letter containing its offer to the city, asserts that the property has been operated at a loss for the entire period of thirty years, that the patronage of the road declines consistently with the increased use of automobiles, that increasing the fare to seven cents has not increased the gross revenue, that the estimated deficit for the current year will be approximately $50,000, and that the company is ready to quit. The company offers to supply power at reasonable rates if the city decides to accept its offer, and asks only that if after the experiment of municipal ownership the city wishes to discontinue, the property be turned back to the company in order that the latter may have the benefit of its junk value.

Municipal Ownership of Street Railways, Recommended by Dr. Wilcox.—At a hearing of the public utilities committee of the chamber of commerce of the United States in Washington, the principal speaker was Delos F. Wilcox, consulting franchise expert of New York. Dealing with the general problem of the electric railway industry, Mr. Wilcox declared that under existing conditions the only way out of the street railway difficulties would be through public ownership. The tendency is toward a greater recognition of electric railway operation as a public business and a greater public control thereover, he insisted, and the world does not move backward.

Pennsylvania Improves Administrative Efficiency.—The last session of the Pennsylvania legislature was marked by the passage of a considerable number of important bills for the improvement of the administrative economy and efficiency of the state government. Many of these measures were recommended by the economy and efficiency commission during the administration of Governor Brumbaugh, but failed of passage then because of his hostility toward the commission and its work, a hostility culminating in the abolition of the commission by the governor and the veto of recommendations made by it and approved by the legislature. When Governor Sproul succeeded to the office of chief executive, although handicapped by the lack of an economy and efficiency commission, he took up vigorously the task of raising the standard of administrative organization, renewing many of the recommendations of the old commission and adding others to them. Credit is due Governor Sproul, as a result of his efforts, for effecting more important changes during the last legislative session than were made during the two sessions of the Brumbaugh administration.

Governor Sproul's activities resulted in the reorganization of the adjutant general's office, the state arsenal, the bureau of standard weights and measures, the department of the secretary of the commonwealth, the state police, the bureau of the fire marshall, the office of the state treasurer, the bureau of statistics, the topographic and geologic survey commission, the attorney general's department, the department of agriculture, the state library, the department of printing and binding, the board of pardons, the department of public instruction, the insurance department, the workmen's compensation bureau, the department of internal affairs, and the governor's office.

New bureaus and commissions created in carrying out the plan of reorganization included those of vocational training, standardization of positions in the state department, supervision over the erection of all memorials and other works classed as art, the Delaware river bridge project, and the rehabilitation of physically incapacitated workmen. The number of assistant general agents of the state board of public charities, inspectors in the department of labor and industry, and travelling auditors in the auditor general's department, was also increased. Salary adjustments were made in the cases of the governor, state banking examiners, assistant general agents and the secretary of the committee on lunacy of the state board of public charities, legislative employes, and public school teachers in the state.

Other measures passed as part of Governor Sproul's program for administrative improvement included the creation of a sinking fund to replace insurance for state institutions and state property; advances of appropriations to state institutions; regulations for the retirement of state employes; the relief of the governor from auditing duties; the publication of bi-ennial, instead of annual, reports of state departments; the abolition of the office of health officer for the port of Philadelphia and of the state quarantine board; standardization of methods of accounting, purchasing, and recording in state institutions; the legislative adoption of a constitutional amendment prohibiting the payment of any money from the state treasury except by an act of assembly specifying the amount, purpose, and time of such appropriation; the erection of a state office building; and provision for the employment of experts by the governor whenever in his judgment they may be needed.

Work of the Illinois Legislature.—At the time of writing the article on the work of the reconstruction legislatures, which appeared in the July issue of the NATIONAL MUNICIPAL REVIEW, the Illinois legislature was still in session, with its work unfinished, in consequence of which it was impossible then to give an adequate review of the accomplishments of the closing session. So much important legislation, however, was adopted by this body—legislation which has not since been reported in these pages—that it seems fitting now to mention some of the chief acts newly applicable to Illinois.

Perhaps the most vital of these new laws created a state tax commission to take the place of the obsolete and ineffective state board of equalization. The new tax commission, which consists of three members, is endowed with all the powers of the old equalization board, and is especially empowered by law to order the reassessment of property when it has reason to believe that local assessors have failed to do their duty. It is believed that this power of reassessment will have a tonic effect which will result in largely increasing the amount of property listed for taxation throughout the State. This statute is a long step in the direction of

modernizing the taxation machinery of the State.

Governor Lowden gave his support in decisive fashion to the proposition to increase the basis of taxation throughout the state from one-third of the actual value to one-half. This legislation gives the city of Chicago power to increase its bonded indebtedness to the extent of $27,500,000, and will also enable the downstate cities to increase their bonded indebtedness. The financial lee-way given by this law will enable Chicago and the other cities of Illinois to carry out needed public improvements in case proposed bond issues for that purpose are endorsed by the people when submitted to referendum vote.

The governor also gave essential aid in securing the enactment of a statute to place the deposit of state moneys on a more business-like basis. This new statute, which was strongly favored by the legislative voters' league, is described in detail elsewhere in these columns.

Legislation in which Chicago is especially interested includes an act which will place the election of aldermen on a non-partisan basis; and another which will reduce the number of aldermen to 50, one for each ward. This legislation will effect a large saving in the cost of elections. The voters are to determine by referendum whether aldermen shall be elected for a two-year or a four-year term.

Other new laws of especial interest to Chicago include a zoning statute, which will regulate the character of buildings which may be erected in any prescribed locality. This law applies also to the other principal cities of the state. Almost equally important is an act which creates a commission to prepare bills for presentation to the next general assembly covering the matter of housing. A new law of substantial importance gives the sanitary district of Chicago the right to bid on electrical power developed in the Desplaines river in the construction of the Illinois waterway. Another act empowers the city to erect a municipal convention hall. Still another act of local importance authorizes park districts to issue bonds to defray the cost of making connections with other parks.

Senator Hull's important bill to create a commission to standardize county and municipal expenditures was passed by the senate, but failed of passage in the house.

The general assembly passed 429 measures, of which 222 originated in the senate and 207 in the house. The total number of bills introduced was 1,343, as compared with 1,647 at the 1917 session. As at the preceding session, legislative business was carried on with a high degree of fairness and efficiency by Speaker Shanahan in the house and by Lieutenant-Governor Oglesby in the senate. Only a few measures of importance failed to receive legislative consideration.

Governor Lowden made free use of his veto power, killing 38 measures by that means. Of these 21 were house bills and 17 were senate bills. The appropriations vetoed totaled $340,022.

Extravagance of Kansas Legislature.—An examination of the expenses of the last session of the Kansas legislature reveals the lavish manner in which its members provided for their personal convenience.

In the senate the average expense per member for the session was $7,082.58. The average expense per house member was $1,904.50.

The senate voted its members $20.00 each for expenses of their trip to St. Louis to welcome returning soldiers.

The average number of clerks per senator was 13. The average number of clerks per house member was 2.

In the senate one page attended to the wants of two senators; in the house one page was errand boy for nine members. As the senate chamber is much smaller than that of the house, its pages have correspondingly lighter work.

Both senate and house grossly exceeded the necessary expenses for doorkeepers and assistants. The total cost for this service in the two houses was $25,565.86.

Ohio's Municipal Financial Problems Still Unsolved.[1]—A petition of the police of Sandusky, Ohio, for a wage increase of 25 per cent was the occasion for a public statement made by City Manager Zimmerman from which we quote the following excerpt because of its relation to the financial condition of municipalities throughout Ohio and in other states as well:

> There are, as I see it, but two ways in which more money for municipal purposes can be raised. One is through a revaluation of property. The other is through an occupational tax. The former plan is best, providing of course, the revaluation is upon country property as well as city property. It would be folly for the city to attempt to realize from an increased valuation

[1] See NATIONAL MUNICIPAL REVIEW vol. viii, p. 389.

if the country districts were to share in the benefit without attempting a higher valuation of farm property at the same time. The occupational tax idea does not appeal so strongly to me, although some other cities have tried it, Cincinnati among them. But a revaluation would bring the best result because a full valuation on both city and rural properties would certainly mean a much higher revenue, I believe, from taxation.

As to immediate action with reference to an increase of city employes' salaries, I stand pat that municipal projects should be financed before attempted. That is a good rule in private business and it should be a good rule in municipal business. The statutes are very plain that deficiency bonds cannot be issued and sold to take care of deficits yet to be created. If the city's expenditures for operating expenses were to exceed the revenue, we might borrow in advance of the half-year tax settlements; but sooner or later the city officials responsible for such policy would come face to face with the responsibility of asking the voters to approve of a big issue of bonds to take care of the deficiency created. And voters do not always look kindly upon deficiency bond issues. The city of Cleveland had to hold two elections before the voters there would approve of a deficiency bond issue. The state examiners have told me that if deficiency bond issues are to be presented to the voters to take care of deficits in operating funds, it would, in their opinion, really be necessary to hold a bond issue election every month that deficiencies existed.

✽

City Manager Notes.—The latest additions to the long list of cities operating under the city manager plan include Anamosa, Iowa; Terrell, Texas; Miffinsburg, Pennsylvania; and Gastonia and Kinston, North Carolina. Voters of Oskaloosa, Iowa, have petitioned the city council to adopt the city manager plan.

The reported manager charter drafted for Brantford, Ontario, seems to have been a sort of freak affair and far from a commission-manager plan. It was defeated by a strong majority, and the Brantford chamber of commerce is now seeking information with a view to offering a good charter in lieu of the faulty one they helped to turn down.

Several South African cities are taking an active interest in the city-manager plan. U. S. Consul W. U. Masterson, Durban, Natal, has written for all available information on the movement.

Openings for candidates for the position of city manager are reported in Wichita, Kansas; Suffolk, Virginia; Montrose, Colorado; Petoskey, Michigan; Bristol, Virginia; Alcoa, Tennessee; McAlester, Oklahoma; Salinas, California; and Yoakum, Texas.

Griffin, Georgia, reports a net saving of more than $10,000 for the first five months of operattion under the manager plan. Griffin's manager is trained in municipal finance. When engineering problems arise engineers are called in to handle them. At present the city is laying $180,000 worth of paving and doing some $15,000 of sewer work. A remarkable record reported is that during the eight months that the manager has been employed he has not heard a single criticism of the manager plan.

II. POLITICS

Absentee Voting in Illinois.—The amendments recently made to the Illinois absentee voters law, while purely technical in their nature and made for the purpose of providing proper safeguards against possible frauds in the cities, revive an interest in the general subject which justifies a statement of the plan. The law provides that any registered voter expecting to be absent from the county of his residence on the day of an election may, from 10 to 30 days before the election, make application for an official ballot to the officials charged with the duty of furnishing election ballots. The form of application is provided by the law, and upon proper application such a voter is to be supplied with an official ballot, which he may mark and return in a specified sealed envelope which is supplied with the ballot. This envelope contains on its face a form of affidavit to be sworn to by the voter setting forth his right to vote. Ballots must be returned by mail or in person in time to be delivered to the election officers before the closing of the polls. If the election officers find that the affidavit is properly executed, that the signatures on the application and affidavit correspond, that the applicant is a duly qualified voter in the precinct, and that he has not been present and voted during the election, then the ballot is removed from the envelope and, without being unfolded or examined, is deposited in the ballot box. When, however, any of these conditions have been violated the envelope is not

opened, but is marked "rejected" and the reason therefor given. Rejected ballots are retained and preserved in the manner provided for other rejected ballots. Penalties are provided for false affidavits, for wilful neglect or refusal to return official ballots, and for the refusal or neglect of any election officer to perform the duties provided in the act.

Defeat of the Attempted Recall of Mayor Short of Sioux City.—The movement to recall Mayor Wallace M. Short, of Sioux City, which failed of accomplishment, was started because of the mayor's alleged sympathy for the I. W. W., the last manifestation of that sympathy being his determination to deliver the address of welcome at the I. W. W. convention, held in Sioux City in April. Many people of the city felt that his I. W. W. leanings indicated disloyalty to the best interests of the city. On the side of his supporters were the ranks of organized labor, whose representative he claimed to be through his membership in the bartenders' union, together with some business men, it is claimed, who were friendly to him because of his lax enforcement of law.

The recall petition was signed by over 4,000 electors, many of whom, however, failed to vote at the election held in June. The mayor's opponent was a man of unimpeachable character, but of little experience in politics. He was a member of the brotherhood of locomotive engineers, in good standing, and was selected as the opposition candidate because of the belief that he would split the organized labor vote, which he failed to do. The mayor was able to solidify the union vote of the city, succeeding in convincing organized labor that the recall was a movement to remove their representative from office. The mayor was thus endorsed by a large majority.

III. MISCELLANEOUS

Wheeling (West Virginia) Seeks Improvement.—"A better and more beautiful Wheeling" is the slogan adopted by the newly organized Wheeling improvement commission which is the outgrowth of a luncheon-conference of leading business men to consider what might be done for the betterment of the city. Substantial subscriptions have been obtained toward a volunteer fund of $30,000 to carry on investigations, make studies, and formulate plans for general municipal improvement. Among the projects suggested for the consideration of the commission are new parks and playgrounds, protection against floods, a water filtration system, improved streets, new sewers, and general beautification of the city.

The commission will invite suggestions from the public generally. It will employ engineers and such legal assistance as may be necessary for the purpose of studying any particular plan and passing upon its feasibility. It will also prepare plans for financing and carrying through any of the improvement projects which it believes are within the means of the citizens and can be carried through to advantage. Some plans, it is recognized, can be carried through only by the co-operation of the city and the county with individual citizens. Others may require special acts from the legislature. All of the plans that are of special importance will require considerable engineering study and legal work.

This movement is predicted by some to the opening of a new era for Wheeling—the culmination of all past agitation for city improvement. People and the press declare that the city has the money and the spirit, and needs only what the new commission may now furnish—a body with vision and courage to plan the work, and the power of leadership to put it through.

Pennsylvania Provides Commission for Building a Delaware River Bridge.—An act of the last session of the Pennsylvania legislature provides for a commission, consisting of the board of commissioners of public grounds and buildings, the mayor of Philadelphia, and two other citizens of the state appointed by the governor, to act with the New Jersey bridge commission in the construction of a Delaware river bridge connecting Philadelphia and Camden. The joint commission is authorized to prepare plans, select a site, gather estimates, and proceed with the actual construction of the bridge as fast as money for the purpose is appropriated. The states of Pennsylvania and New

Jersey are to bear the cost equally, and of Pennsylvania's share the city of Philadelphia is to pay half.

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No State-Owned Cement Plant for California.—Reports from California state that, with an unprecedented volume of public work requiring the use of cement, the legislature ignored the opportunity offered it to purchase the monolith plant now owned by the city of Los Angeles. Friends of good government express disappointment at this failure, asserting that it leaves the state, like the rest of the country, entirely in the hands of the cement trust. It is understood that the Los Angeles plant will be sold to private parties about the first of next year, and become a link in the cement ring.

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Kaleidoscopic Traction Situation in New York City.—The street railway situation in New York city, with its receiverships, prospective receiverships, agitation for fare increases, labor troubles, and political feuds, is changing so rapidly and repeatedly that we shall not attempt this month to comment on the subject. We hope, however, to present a full account of the complicated problem in our next issue.

✤

The Philadelphia Foundation.—To provide an efficient agency for the care and distribution of gifts and bequests for the public welfare the Fidelity Trust Company of Philadelphia has established the Philadelphia Trust. The idea is not an original one, having been developed by F. H. Goff, president of the Cleveland Trust Company, of Cleveland, Ohio, where pledges amounting to over $20,000,000 were made in the first year. The investment and care of the funds and property of the Philadelphia Foundation will be managed by the Fidelity Trust Company with the usual restrictions safeguarding trust estates. The distribution of the income of the principal will be vested in a committee of five, one member of which (John Gribbel) has been appointed by the governor of the state, one (Morris L. Clothier) by the senior judge of the United States district court for the Eastern district of Pennsylvania, one (James L. Wilcox) by the president judge of the orphans' court of the county of Philadelphia, and two (Edward T. Stotesbury, and Morris R. Bockins) by the directors of the Fidelity Trust Company. It is planned by this method to encourage community spirit; to secure financial aid for charity, education, art, and civic improvement; and to obtain the benefits of co-operative giving.

✤

A Proposed International Municipal Exposition.—The International Exposition of Municipal Equipment, to be held as a permanent institution in Grand Central Palace, New York, is intended to bring together under one roof every conceivable article used in the construction and maintenance of a city, from a fire engine to a blackboard.

There are to be displays of all sorts of modern equipment and methods used by municipalities, including departments of health, education, police, fire, parks, playgrounds, water, light, heat, power, garbage and sewage disposal, laboratory supplies, hospital and office appliances.

It is to be one of eight or nine expositions which will make up the industrial trade mart of the Merchants and Manufacturers Exchange, occupying the entire Grand Central Palace. The municipal exposition will be staged on one whole floor, with 50,000 square feet of floor space.

✤

W. D. Lighthall, K. C., Retires from Secretaryship of the Union of Canadian Municipalities.—Since its organization in 1900, the Union of Canadian Municipalities has had for its honorary secretary W. D. Lighthall, K. C., who at that time, as mayor of Westmount was stirred to action by the granting of a pernicious electric franchise, and who led in the formation of the Union for mutual municipal protection and improvement. At the end of 19 years of service, Mr. Lighthall retires from the secretaryship, and in so doing has issued a valedictory address reviewing some of the achievements of the organization. In his valedictory he has also pointed out the power which the Union has made itself in Canada, the increased importance of its work during the years immediately ahead, and the opportunity which municipal office presents for public service of the most substantial kind. A set of principles, to which he has reduced the ideals for which the Union of

Canadian Municipalities stands, seems worth quoting here:

1. The Canadian people shall not be ruled by any irresponsible monopoly.
2. They shall not submit to methods of fraud or corruption.
3. There shall be no perpetual franchises.
4. Our heritage of natural resources affecting municipalities must not be sold, but leased, if not publicly operated.
5. One generation cannot legislate away the rights of another.
6. Municipalities must control their streets.
7. Each Canadian shall have a fair deal from all who are granted corporate or other public privileges.
8. Some court or council must always exist free and equipped to enforce the fair deal.
9. The life of the poorest citizen must be made worth living, through his share of the best civic conditions and services.

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